

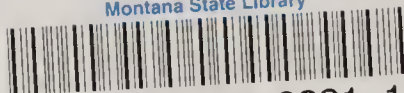
THE STATE OF
**EARLY CARE &
EDUCATION**
IN MONTANA 2004



**REGIONAL
PROFILES**



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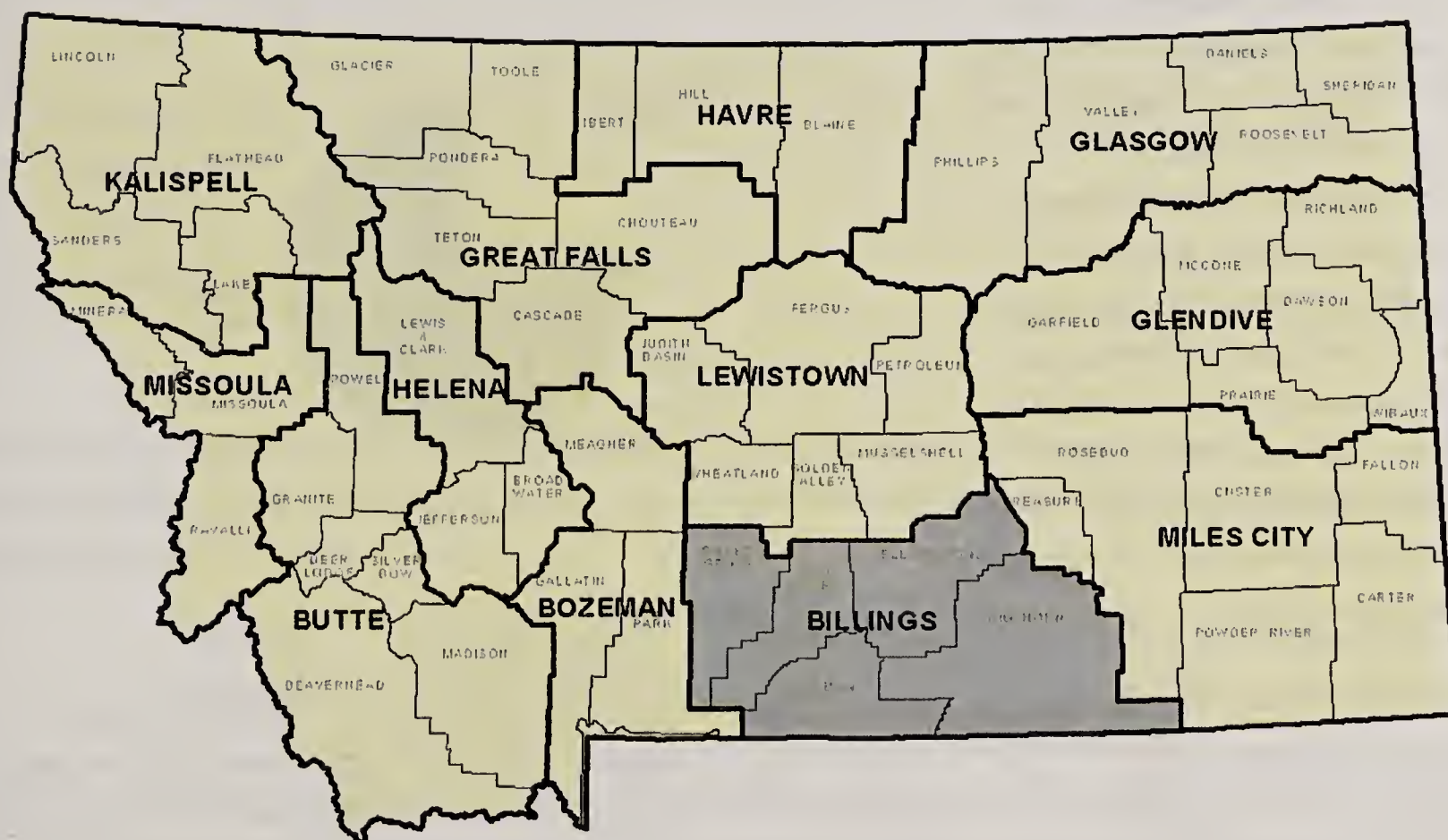
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Billings



Total Population in 2000: **163,379**

Population Under 5 in 2000: **10,871**

Percentage Living Below Poverty: **11.12%¹**

Average Cost of Infant Care Regionally: **\$422²**

Square Miles: **13,391.5³**

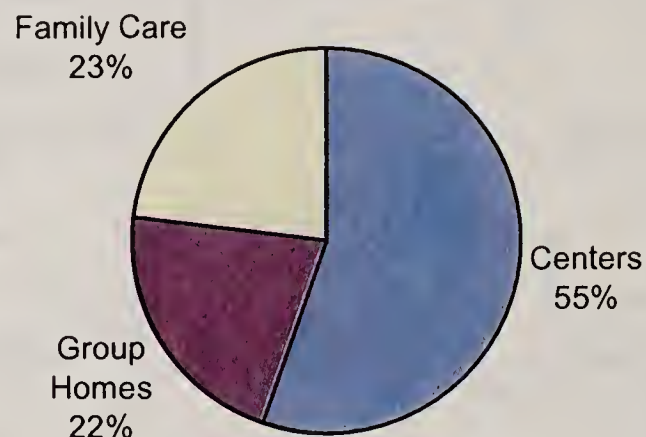
Average Median Income Regionally: **\$33,635⁴**

The Billings region of the child care resource and referral (CCR&R) network includes five counties in south Montana: Sweet Grass, Stillwater, Yellowstone, Carbon, and Big Horn. It is a region with communities reflecting extremes in lifestyles. For example, Yellowstone County holds the majority of the region's population with 129,352 people and a population density of 49.1 people per square mile, while Sweet Grass County has a total population of 3,609 with only 1.9 people per square mile. The region contains Billings, the most highly populated city in the state, yet also contains very rural areas. Another extreme is that Stillwater County has the highest per capita income in the state at \$28,564, while Big Horn County has the lowest at \$14,998. Most of Big Horn County is comprised of the Crow Reservation, which experienced the highest rates of unemployment anywhere in the state between 2001 and 2003.⁵

Regulated Child Care Capacity

Regulated child care is available in all five counties in the Billings region. As of January 2004, a total of 36 licensed child care centers, 70 group homes, and 149 family care homes provide a total of 3,853 regulated child care slots throughout the region. However, the regulated child care in Sweet Grass County is comprised of just three family child care homes. According to the MCCRR Network, this region lost 2 child care facilities and 121 providers between 2002 and 2003. The chart to the right illustrates the percentage of slots available in the region by type of regulated facility.

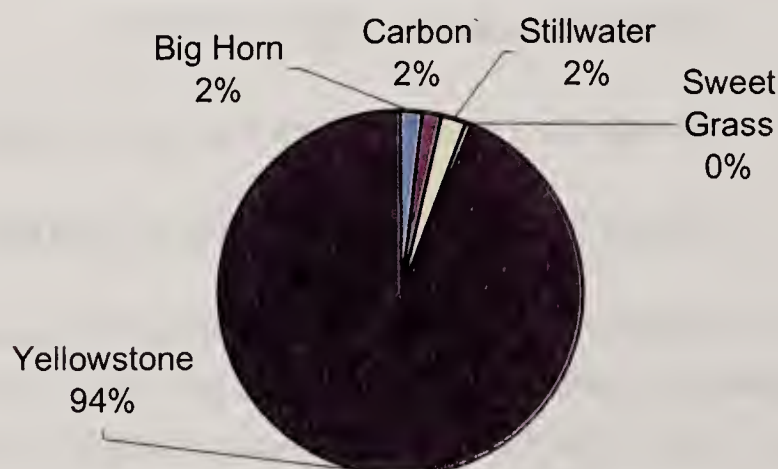
Percentage of Regulated Child Care Slots In Billings Region by Type of Care



With approximately 7,829 children under the age of five⁶ in need of care in the Billings region, the 3,853 regulated slots are available for 49% of the children in need of care. Of those, 94% are in Yellowstone County; Carbon, Big Horn, and Stillwater each contain 2% of the region's regulated child care slots; and Sweet Grass County holds less than 1% of the region's regulated child care

supply. The chart to the left demonstrates the distribution of regulated child care throughout the region.

Distribution of Child Care Slots



Perhaps a more meaningful way to look at the availability of care is by population of children under 5 needing care in each county compared to the number of available regulated child care slots.

The table on the following page indicates that Big Horn and Sweet Grass Counties have only enough regulated child care slots to fill 9 and 10% of the need for care respectively. Carbon and Stillwater Counties have enough regulated child care slots to fill 17 and 28% respectively, while Yellowstone County has enough regulated child care slots to fill 59% of the need for care.

	Big Horn County	Carbon County	Stillwater County	Sweet Grass County	Yellowstone County
Estimated number of children needing care⁷	849	358	325	150	6147
Percentage that regulated slots available in county fill	9%	17%	28%	10%	59%

The following table identifies both the number of facilities and child care slots available in regulated settings as of January 2004 by county.⁸ Facilities and slots are additionally broken down by type of regulated care.

	Big Horn County		Carbon County		Stillwater County		Sweet Grass County		Yellowstone County	
Type of Care	facilities	slots	facilities	slots	facilities	slots	facilities	slots	facilities	slots
Centers	2	49	1	48	1	48	-	-	32	1979
Group Homes	2	22	-	-	3	36	-	-	65	780
Family Care	1	6	2	12	1	6	3	15	142	852
Totals	5	77	3	60	5	90	3	15	239	3611

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-

Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The Billings region has one group home currently rated as a 2-Star Quality provider. There are three additional facilities in the region with 1-Star ratings: one group home and two child care centers. Only 1% of all regulated facilities in the Billings CCR&R region were Star rated as of March 2004. Given that Billings is the most populous region in the state, it is somewhat surprising that the region holds so few Star rated child care facilities.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Billings region accounted for 22% of all children served by the Best Beginnings Scholarship program statewide. A total of 2,395 children were served by the program in the Billings region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county as well as in the region as a whole.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Big Horn County	108	\$120,349	4.5%
Carbon County	24	\$29,408	1%
Stillwater County	47	\$68,644	2%
Sweet Grass County	13	\$26,541	0.5%
Yellowstone County	2,203	\$4,009,055	92%
Totals Billings Region	2,395	\$4,253,997	100%

Cost of Care

The Billings CCR&R region has the second highest cost of care in the state for infant care and the sixth highest cost of care for children two and older. This region also has the fourth lowest percentage of people living in poverty of all the CCR&R regions in the state. As such, the cost of purchasing care for two children can consume one-third to 100% of a family's total household income. Based on the 2001 median household income of families in this region (\$33,635), a

family with two children in a licensed child care center, one infant and one child two years or older, would pay \$10,644 or 32% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would have to spend almost 100% of their wages on child care for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Billings region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Billings Region⁹ (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$498	\$433	\$433	\$325
Age 2 and up	\$389	\$389	\$368	\$282

*Legally Unregistered Provider

Regional Assets

The asset most frequently identified by key stakeholders in the Billings CCR&R region was the collaboration of a core group of Early Care and Education professionals who are very qualified and dedicated to improving the quality of care for all children in Billings. Additionally, the CCR&R agency, District VII HRDC, is working to improve collaborative efforts by co-sponsoring training events along with the local Association for the Education of Young Children (AEYC) and the Billings Child Care Coalition. Billings also received a Future Search Community Grant and has a Pre-Apprenticeship program for providers in a local high school.

Other assets included supports for providers to continue their education. Montana State University at Billings (MSUB) and University of Montana-Western offer early childhood courses. In addition, the MSUB work study program allows local providers to hire students whose salaries are subsidized by the University. Positive relationships with licensing staff and state ECSB staff were also mentioned as assets.

Additional assets mentioned by one key stakeholder included: the quality of care provided by several local centers; local quality improvement projects especially training sponsored by the local YWCA using United Way funds; some county officials in Yellowstone that really support child care and children's programs; the Billings Head Start program; and the Star Quality Rating System.

Regional Issues

Key stakeholders in Billings identified the top child care issue as a lack of available quality care and the supports to increase quality. In particular, stakeholders expressed concern about lack of collaboration among providers and support agencies, competition among providers, a lack of advanced training for highly qualified providers, and a lack of professionalism coupled with a lack of drive to be the best. Providers also expressed a desire for the regional CCR&R agency to be more active in providing technical assistance to regulated providers who are found to have regulatory compliance issues. Overall, several informants expressed their desire for an increased level of support from the R&R agency.

Another frequently mentioned issue was the lack of incentives to raise quality, such as higher rates of pay for providers. Specifically, cutbacks in the subsidy program, lack of increases in the reimbursement rates, and subsidy reimbursement rates not covering the cost of care were mentioned as primary issues.

Additional issues identified by stakeholders in the Billings CCR&R region included “a lack of a unified view that all children deserve quality care.” A related concern was that “some people believe families who cannot afford quality care do not deserve it.” A lack of available regulated care for infants and toddlers was also mentioned, as was a lack of care for children with disabilities or special needs, especially those in long term placement such as foster care. “Care for these children is difficult to find, and when it is found, it is difficult to keep.” A lack of qualified caregivers, lack of affordable care, and the loss of an ECE instructor at MSUB were also cited as issues by key stakeholders.

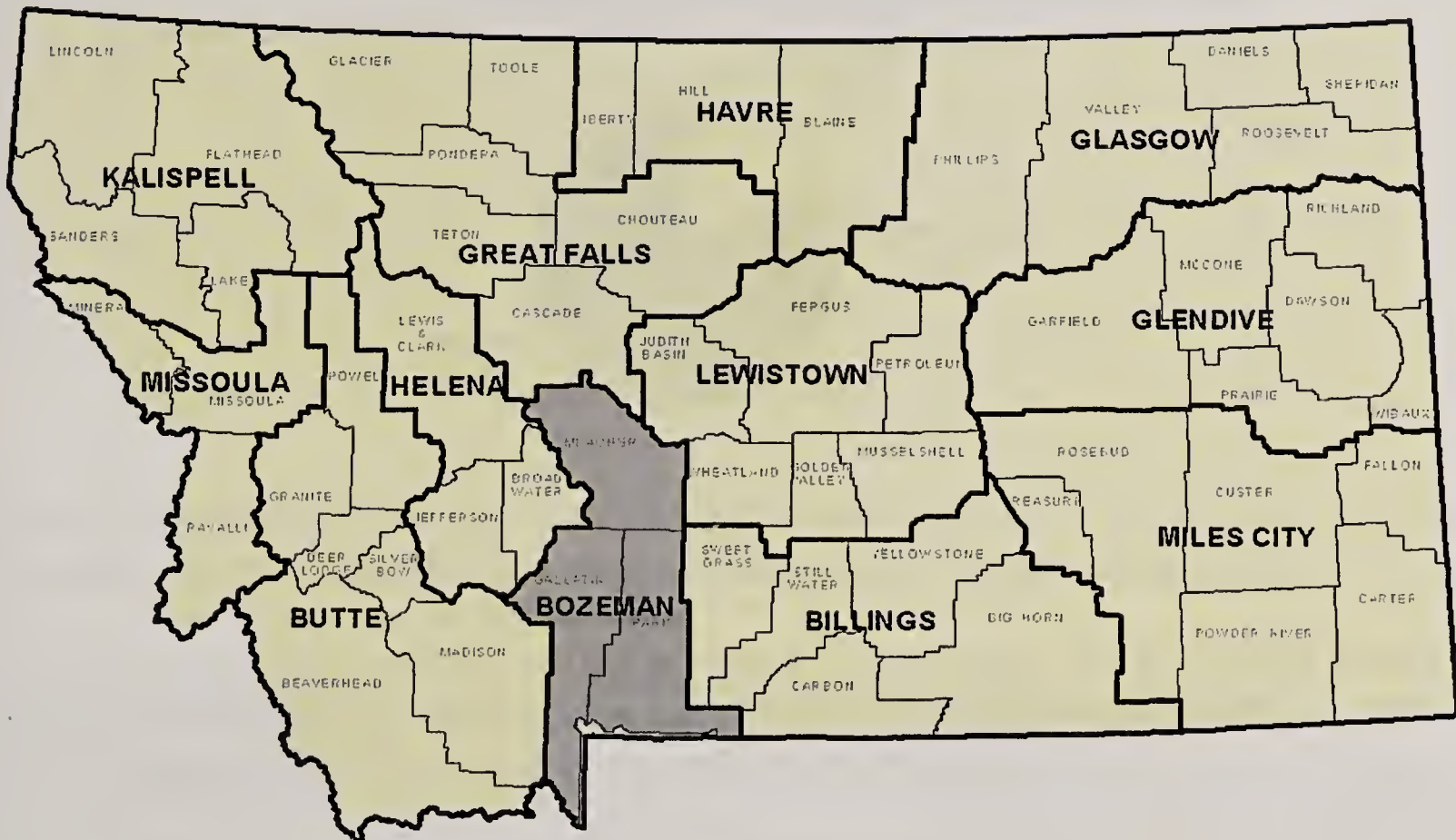
Quality Initiatives

In FY 2002, the Billings region received \$89,241 in quality improvement grants funded through DPHHS, 7% of grant funding dispersed that year. In 2003, the Billings region received \$95,600 illustrating a 7% increase in quality improvement grant funding (8% of grant funding that year). Although Billings has the largest number of providers, stakeholders reported that quality improvement programs are not utilized at the rate they are in some other regions.

The region went from having 65 providers at a Level 3 or above in 2002 to having 48 in 2003, representing a loss of 26%. During that same time, the amount of Merit Pay received by providers in the Billings region dropped almost 30%. However, the amount of funding provided through both Mini Grants and Provider Grants increased, especially Provider Grants, which increased 125% from 2002 to 2003. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail.

Quality Initiatives Funded through DPHHS – Billings CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	8%	\$26,285	5%	\$17,580
Mentoring Grant	0%	-	0%	-
Merit Pay	13%	\$17,000	10%	\$12,000
Mini-Grants	17%	\$10,993	11%	\$11,545
Provider Grants	6%	\$19,963	13%	\$45,000
Specialized Training Grant	6%	\$15,000	8%	\$9,475
Total	7%	\$89,241	8%	\$95,600

Bozeman



Total Population in 2000: **85,457**

Population Under 5 in 2000: **4,941**

Percentage Living Below Poverty: **9.97%**

Average Cost of Infant Care Regionally: **\$469**

Square Miles: **7839.62**

Average Median Income Regionally: **\$33,078**

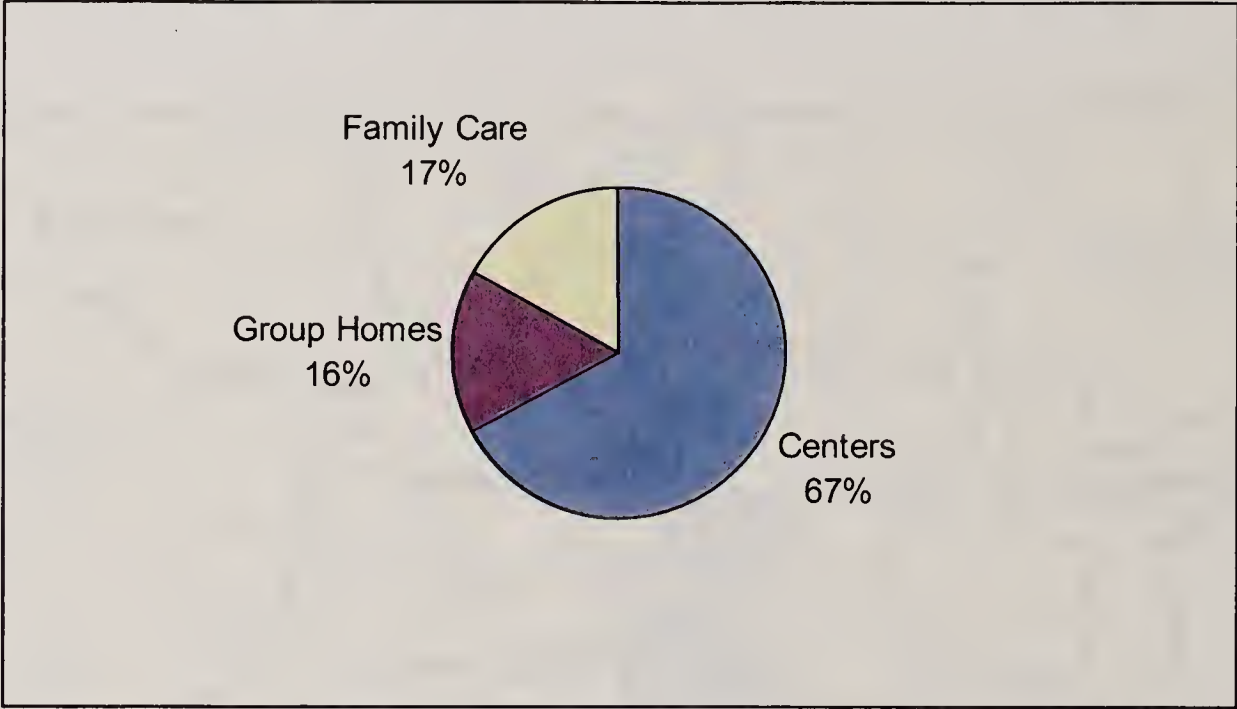
The Bozeman region of the child care resource and referral (CCR&R) network includes three counties in south Montana: Gallatin, Meagher, and Park. Gallatin County houses most of the region's population with 67,831 residents as of the 2000 Census. That county also has the highest population density at 26 people per square mile. The other two counties in the region, Park and Meagher, have significantly lower population densities at 5.6 and less than one person (0.8) per square mile respectively.

Regulated Child Care Capacity

Regulated child care of all three types is available in every county in the Bozeman region. As of January 2004, 23 child care centers, 34 group homes, and 65 family child care homes provided a total of 2,221 regulated child care slots throughout the Bozeman region. Between FY 2002 and FY

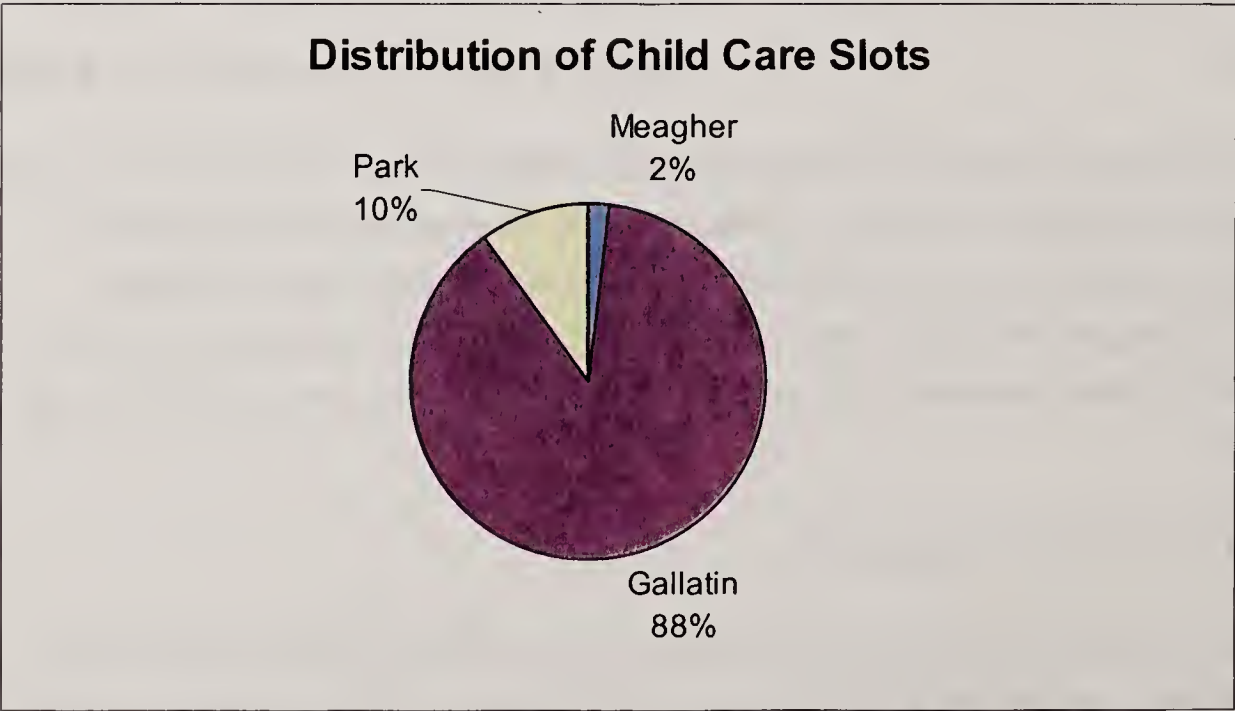
2003, the region saw a decrease of 13.5% in the number of regulated child care facilities. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Bozeman Region



With an estimated 3,557 children under the age of five in need of care in the Bozeman region, the 2,221 regulated child care slots are available for just over 60% of those children. Of those regulated slots, the majority (88%) are in Gallatin County; 10% are in Park, and 2% are in Meagher.

A more meaningful way to look at the availability of care may be by population of children under 5 who are in need of care in each county compared to the number of available regulated child care slots. The pie chart below shows the distribution of regulated child care slots across the region.



The table on the following page indicates that Gallatin has enough slots to fill 69% of the need. Meagher County has enough regulated slots to fill 54% of the need, and Park County has enough slots to provide care for 35% of children in need of care.

	Gallatin County	Meagher County	Park County
Estimated number of children needing care	2,832	70	655
Percentage of need filled by regulated slots	69%	54%	35%

The table below identifies both the number of facilities and the number of child care slots available in regulated settings for each county in the Bozeman region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Gallatin County		Meagher County		Park County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	19	1,353	1	20	3	119
Group Homes	27	284	2	12	5	60
Family Care	55	319	2	6	8	48
Totals	101	1,956	5	38	16	227

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Bozeman region increased by almost 63% between 2002 and 2003. Currently, the region boasts a total of five 2-Star facilities including 2 centers, one group home, and 2 family care homes. There are also three 1-Star facilities, one center, one group home, and one family care home. Overall, 5% of all regulated facilities in Bozeman are Star rated.

The Bozeman region experienced one of the highest rates of growth in Star rated facilities of all the regions. This region hosts a successful mentoring program that may have greatly contributed to the increased number of providers who successfully attained accreditation.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Bozeman region accounted for 6% of all children served by the Best Beginnings Scholarship program statewide. A total of 688 children were served by the program in the Bozeman region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Gallatin County	549	\$1,225,813	79.8%
Meagher County	20	\$40,430	2.9%
Park County	119	\$174,277	17.3%
Totals Bozeman Region	688	\$1,440,470	100%

Cost of Care

Bozeman has the highest cost of care for children of all ages in the state, and has the second lowest poverty rate of all the CCR&R regions in the state. The cost of purchasing care for two children can consume 41% to 120% of a family's total household income. Based on the 2001 median household income for families in this region (\$33,078), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$13,416 or 41% of their total household income on child care. This is just slightly less than tuition and fees (\$14,190) required to attend a Montana university for the 2004 school year. A single parent making minimum wage

(\$10,712 per year) would only make enough to pay for just under 80% of child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th percentile for the cost of child care in the Bozeman region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Bozeman Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$641	\$477	\$433	\$325
Age 2 and up	\$477	\$455	\$433	\$325

*Legally Unregistered Provider

Regional Assets

The CCR&R agency, Child Care Connections, was the number one asset identified by key stakeholders in the Bozeman CCR&R region. They have a successful mentoring program as well as regular training. They survey providers each year to determine training needs so they can offer training from beginning levels up to college level courses and other advanced trainings. The CCR&R staff as well as the lending library of toys, learning units, books, and more make this CCR&R agency outstanding according to stakeholders. The area also has both an Even Start grant and a 21st Century Afterschool program based in Livingston.

Another frequently mentioned asset was the quality of training available in the region overall. Providers take advantage of it and sponsors work to provide new topics. The Early Childhood Project (ECP) was also cited by several key stakeholders as a huge asset. Because the project is located in the region, local providers can take advantage of the programs offered. So the quality of care is improving even though the number of providers in the region and the state is decreasing. The training offered by Child Care plus+ was also mentioned with regard to training and technical assistance due to the child care training modules and the provider tip sheets they have developed. As a result of these trainings, key stakeholders report that providers in the Bozeman region are more willing and informed about caring for children with disabilities.

Assets mentioned by just one stakeholder included the following: collaboration and the local Bozeman AEYC are strong; two local businesses are offering child care benefits; and Bozeman has the highest education level of residents in the state so the need for advanced degrees is understood.

Regional Issues

In the Bozeman region, the cost of living and the cost of care are high. Key stakeholders expressed concerns about the affordability of care. “Providers cannot be expected to lower their prices however because running a child care program is costly.” Large businesses moving into the area are not providing child care benefits for their employees either. The competition from unregulated programs such as preschools, drop-in centers, and before and after school programs was also of great concern. There are no regulatory requirements associated with operating those programs, and they reportedly take business away from regulated providers. Additionally, some facilities that were previously regulated have chosen not to renew this year. According to key stakeholders there are no advantages to licensure for these settings given that they do not serve families on the subsidy program and often their certification, such as for Montessori preschools, is approved at the national level. Licensing is therefore seen as an obstacle they do not need to hurdle since they are serving middle or upper class families that do not require full time care.

Another issue was the availability of quality care in the region and the stability of providers. Key stakeholders stated that many facilities have closed during the last year. “Providers are at risk of burnout, especially with the stressful nature of the work and the low wages.” An additional concern was lack of training available in the more rural areas. Providers often have to travel distances to attend training.

Other issues mentioned by one key stakeholder included the following: there is a lack of odd hour and sick child care; the difference in eligibility requirements for Head Start and State subsidies presents a challenge; and a decreasing number of families can receive Best Beginnings Scholarships.

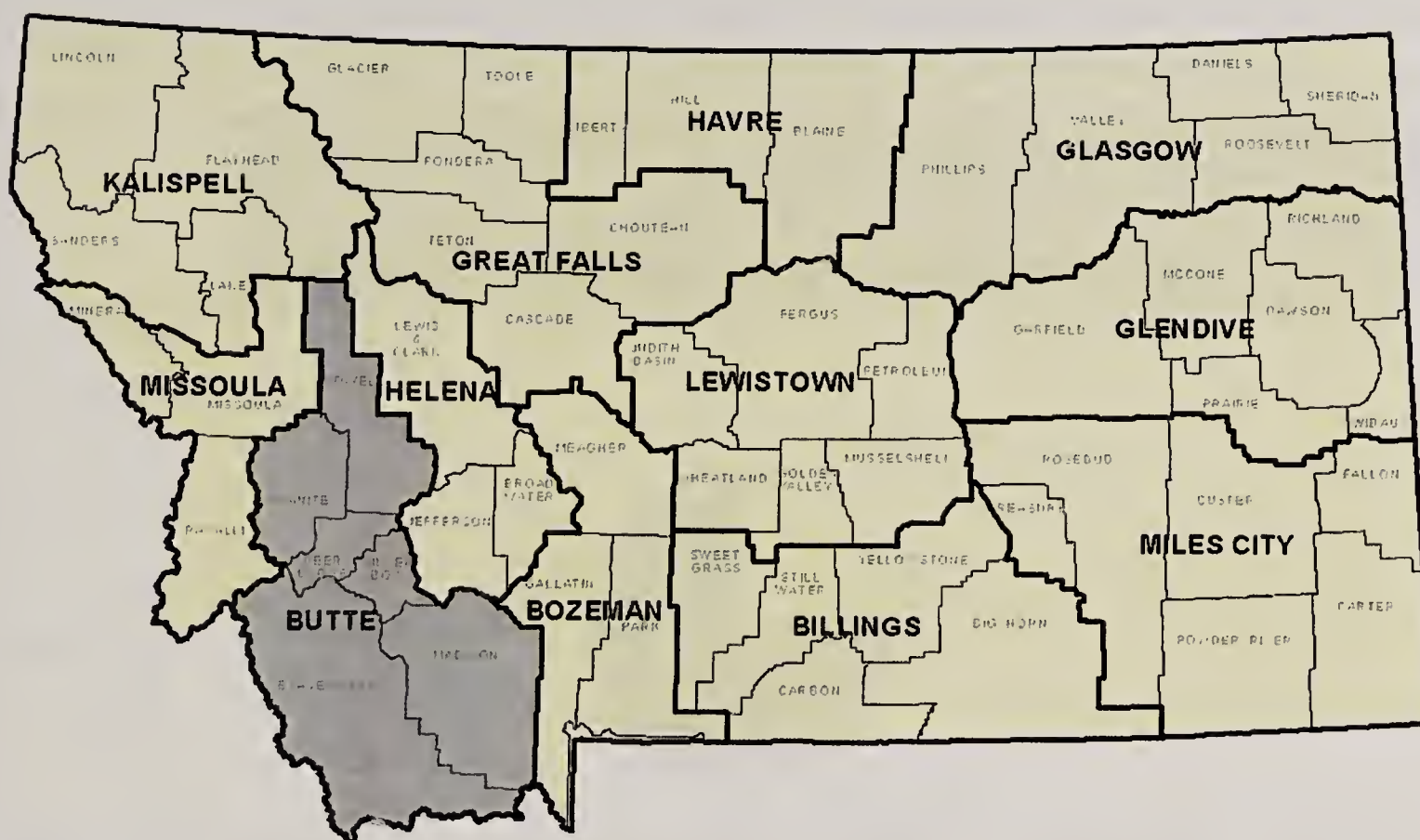
Quality Initiatives

In FY 2002, the Bozeman region received \$233,971 in quality improvement grants funded through DPHHS, 19% of grant funding dispersed that year. In 2003, the Bozeman region received \$169,075 illustrating a 28% decrease in grant funding for regional quality initiatives funded through Best Beginnings (15% of grant funding that year).

The region went from having 58 providers at a Level 3 or above in 2002 to having 41 in 2003, representing a loss of 29%. During that same time, the amount of Merit Pay received by providers in the Bozeman region dropped more than 19%. This region’s Provider Grants and Mentoring grant retained stable funding with no change between 2002 and 2003. However, all other grants saw decreases in funding. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail.

Quality Initiatives Funded through DPHHS – Bozeman CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	30%	\$91,800	24%	\$78,000
Mentoring Grant	20%	\$25,000	18%	\$25,000
Merit Pay	17%	\$21,800	15%	\$17,600
Mini-Grants	16%	\$10,371	8%	\$8,475
Provider Grants	12%	\$40,000	12%	\$40,000
Specialized Training Grant	18%	\$45,000	0%	-
Total	19%	\$233,971	15%	\$169,075

Butte



Total Population in 2000: **70,086**

Population Under 5 in 2000: **3,753**

Percentage Living Below Poverty: **11.57%**

Average Cost of Infant Care Regionally: **\$371**

Square Miles: **14699.71**

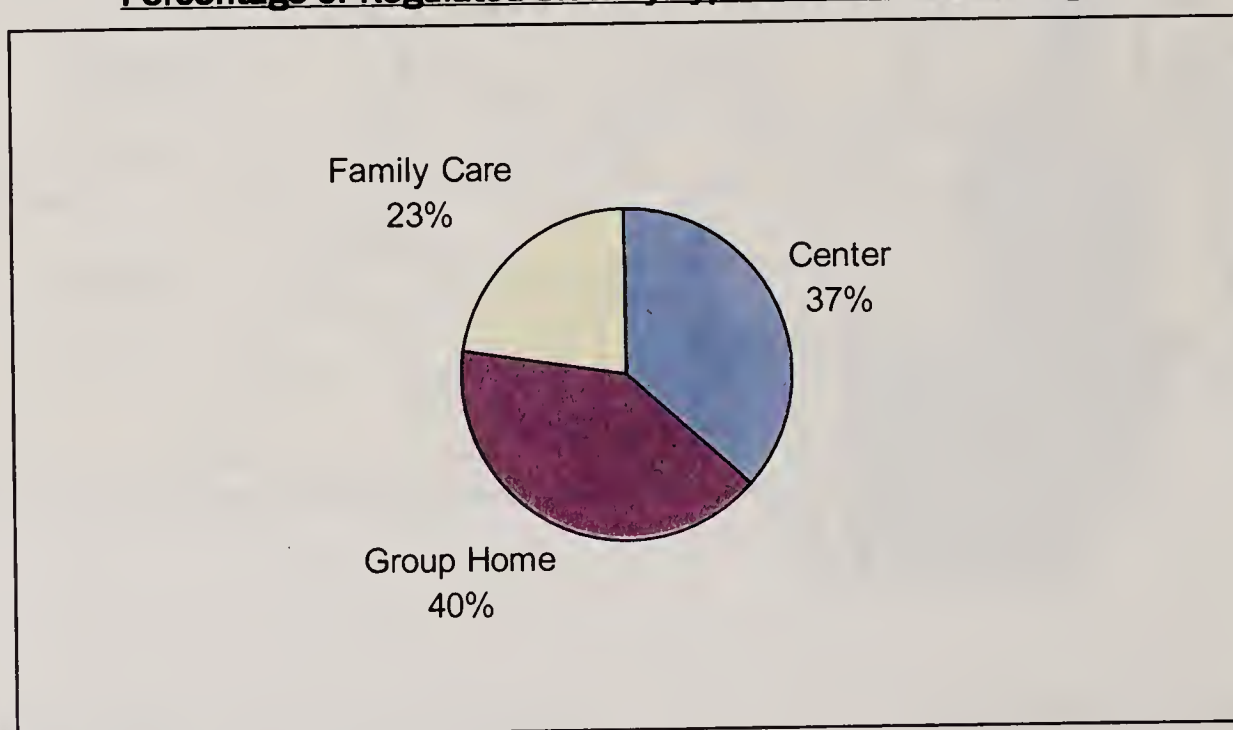
Average Median Income Regionally: **\$29,057**

The Butte region of the state child care resource and referral (CCR&R) network includes six counties in southwestern Montana: Beaverhead, Deer Lodge, Granite, Madison, Powell and Silver Bow. Although it is the smallest county geographically, Silver Bow houses most of the region's population with 34,606 residents as of the 2000 Census. That county also has the highest population density in the region with 48.2 people per square mile. Deer Lodge County holds the next highest population density at 12.8 people per square mile. Powell County has 3.1 people per square mile, while the remaining three counties, Beaverhead, Granite, and Madison, have significantly lower population densities with fewer than 2 people per square mile.

Regulated Child Care Capacity

Regulated child care is available in every county in the Butte region. Not surprisingly, the majority of facilities and child care slots are in Silver Bow County. Between FY 2002 and FY 2003, the region was one of only two that saw an increase in the number of regulated child care facilities. The Butte CCR&R region experienced the highest rate of growth in child care capacity among all regions. The number of child care facilities increased by 9.7% between 2002 and 2003. As of January 2004, 14 child care centers, 36 group homes, and 42 family child care homes provided a total of 1,037 regulated child care slots throughout the Butte region. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

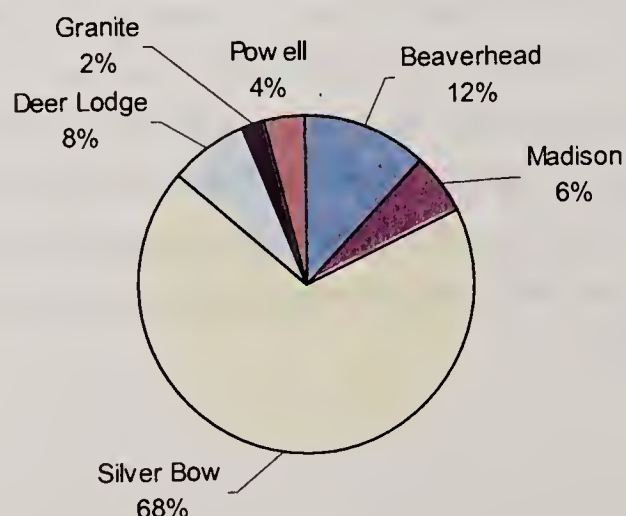
Percentage of Regulated Slots by Type of Care – Butte Region



With an estimated 2,702 children under the age of five in need of care in the Butte region, the 1,037 regulated child care slots are available for just over 38% of those children. Of those regulated slots, the majority (68%) were in Silver Bow County and 12% were in Beaverhead. The remaining counties

had 8% or less of the child care slots in the region.

Distribution of Child Care Slots



A more meaningful way to look at the availability of care may be by population of children under 5 who are in need of care in each county compared to the number of available regulated child care slots. The chart to the left shows the distribution of

regulated child care slots across the region.

The table below indicates that Silver Bow had enough slots to fill 49% of the need for child care. Beaverhead County had enough regulated slots to fill 34% of the need, while Madison and Deer Lodge counties had enough slots to provide care for 29% and 25% of children in need of care respectively. Granite and Powell counties had enough slots to provide care for just 18% of the estimated number of children in need of care.

	Beaver-head County	Deer Lodge County	Granite County	Madison County	Powell County	Silver Bow County
Estimated number of children needing care	378	312	98	232	238	1,445
Percentage of need filled by regulated slots	34%	25%	18%	29%	18%	49%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Bozeman region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Beaver-head County		Deer Lodge County		Granite County		Madison County		Powell County		Silver Bow County	
Type of Care	<u>Facilities</u>	<u>Slots</u>	<u>Facilities</u>	<u>Slots</u>	<u>Facilities</u>	<u>Slots</u>	<u>Facilities</u>	<u>Slots</u>	<u>Facilities</u>	<u>Slots</u>	<u>Facilities</u>	<u>Slots</u>
Centers	2	43	-	-	-	-	1	43	-	-	11	293
Group Homes	5	60	4	36	1	12	2	24	1	12	23	276
Family Care	5	24	7	42	2	6	-	-	5	30	23	136
Totals	12	127	11	78	3	18	3	67	6	42	57	705

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Butte region increased by 400% between 2002 and 2003. Currently, the region boasts a total of five 2-Star facilities including 3 centers and 2 group homes. This is up from 2002 when only one 1-Star facility existed in the entire region. At the time of this report, 5% of all regulated providers in the Butte CCR&R region were Star rated.

The Butte region experienced the highest rate of growth in Star rated facilities out of all the regions. This region hosts a successful mentoring program that greatly contributed to the increased number of providers who successfully attained accreditation.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Butte region accounted for 8% of all children served by the Best Beginnings Scholarship program statewide. A total of 814 children were served by the program in the Butte region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Beaverhead County	69	\$76,530	8.5%
Deer Lodge County	91	\$94,198	11.2%
Granite County	18	\$14,359	2.2%
Madison County	4	\$5,658	0.5%
Powell County	31	\$28,429	3.8%
Silver Bow County	601	\$814,192	73.8%
Totals Butte Region	814	\$1,033,366	100%

Cost of Care

The Butte CCR&R region has the third lowest cost of care for children over two and the fourth lowest for children under the age of two in the state. Even so, the cost of purchasing care for two children can consume 31% to 85% of a family's total household income. The Butte region also has the fifth lowest percentage of families living at poverty or below. Based on the 2003 median household income (\$29,057), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,072 or 31% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend just under 85% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Butte region. Rates are listed in the table on the following page according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Butte Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$401	\$390	\$390	\$303
Age 2 and up	\$355	\$370	\$347	\$260

*Legally Unregistered Provider

Regional Assets

Collaboration was the most frequently cited asset in the Butte CCR&R region. In particular, the CCR&R agency, the Butte 4C's, works closely with the county welfare office to connect low-income families with services and assistance. The CCR&R is reportedly very easy to work with, and they get along with everyone. Providers can also use both welfare and the CCR&R as resources if they are experiencing challenges related to a child's behavior, which can result in terminated services if providers do not get assistance. Additionally, quality training and the mentoring program offered through the CCR&R were reported as being very good.

The second most frequently mentioned asset was the people caring for children. While there are not enough of them, those that are quality providers are very good. They are active in raising the bar for quality care in the region as demonstrated by their recent efforts to form a local AEYC chapter. Additionally, Western Montana College in Dillon, UM Western, is the host college for statewide ECE training, and outreach. UM Western has articulation agreements with many of the other colleges in the state and offers coursework in virtually every major city in Montana.

Additional assets mentioned by one key stakeholder included: Butte has a high number of nationally accredited programs; partnerships between Head Start and child care centers have improved quality and provided access to mental health services for providers working with children that have behavioral challenges; some quality providers are now providing after school and evening care; undergraduate degrees are now available online through the university at Dillon; there is a satellite course offered for the core CDA curriculum; and the welfare division now has funding to conduct interest and skill assessments and have identified several potential child care providers through that process.

Regional Issues

Geographically, there are six counties in Butte. The region covers a large land mass, is very rural, and generally has a smaller number of regulated facilities even though it has a higher population.

By far the most pressing issue cited by key stakeholders in the Butte CCR&R region was finding and keeping quality staff due to low wages, lack of benefits, and difficult working conditions. "Providers do not make much money, and yet they are required to put in extra unpaid hours for training and planning curriculum." There are outlying areas where no regulated care is offered and the region's CCR&R agency has not been successful in its efforts to recruit new providers. Existing providers are not making a living wage, nor do many of them receive benefits. Even agencies such as Head Start are having difficulty recruiting qualified teachers, and they offer higher salaries, more benefits, paid training and better working conditions than most other programs.

The second most pressing issue in the Butte region was the lack of quality care. There are some providers who do provide quality care, but many do not have the motivation to improve. Attending training, including coursework can be a hardship especially for sole proprietors. A related issue was that there are many "underground" providers because licensing does not shut many providers down. Other issues mentioned were the high need for off-hour and weekend care due to a number of service industry jobs requiring shift work, and the lack of eligible families accessing the Best Beginnings Scholarship program for assistance in paying for child care.

Additional issues mentioned by one stakeholder included: the cost of care for parents and the cost of providing quality care which many studies show costs approximately \$12,000 per year per child; lack of awareness regarding quality care among parents; and the fact that welfare participation eligibility requirements are becoming more strict.

Quality Initiatives

The Head Start and Early Head Start programs in this region have established model partnerships with local providers. The Butte 4C's also originated the state's pre-provider training, and instigated changes to the state mandated provider orientation training.

In FY 2002, the Butte region received \$94,266 in quality improvement grants funded through DPHHS, 7% of grant funding dispersed that year. In 2003, they received \$101,490 illustrating an increase of almost 8% in grant funding for quality initiatives funded through Best Beginnings (9% of funding dispersed that year).

The region went from having 16 providers at a Level 3 or above in 2002 to having 24 in 2003, representing an increase of 50%. During that same time, the amount of Merit Pay received by providers in the Butte region increased from \$6,400 to \$14,200, an increase of 122%. Butte's Mentoring Grant increased dramatically as well during the same year, increasing more than 85% from \$14,514 in 2002 to \$26,930 in 2003. The region's Provider Grants and Mini Grants remained fairly stable with no change in Provider Grants and just a slight decrease (7%) in Mini Grants between 2002 and 2003 as well. The most significant loss to this region was the Specialized Training Grant, which was not renewed in 2003. The table below describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Butte CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	8%	\$26,360	9%	\$28,860
Mentoring Grant	12%	\$14,514	19%	\$26,930
Merit Pay	5%	\$6,400	12%	\$14,200
Mini-Grants	11%	\$6,992	6%	\$6,500
Provider Grants	8%	\$25,000	8%	\$25,000
Specialized Training Grant	6%	\$15,000	0%	-
Total	7%	\$94,266	9%	\$101,490

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Population Under 5 in 2000: **1,779**

Average Cost of Infant Care Regionally: **\$358**

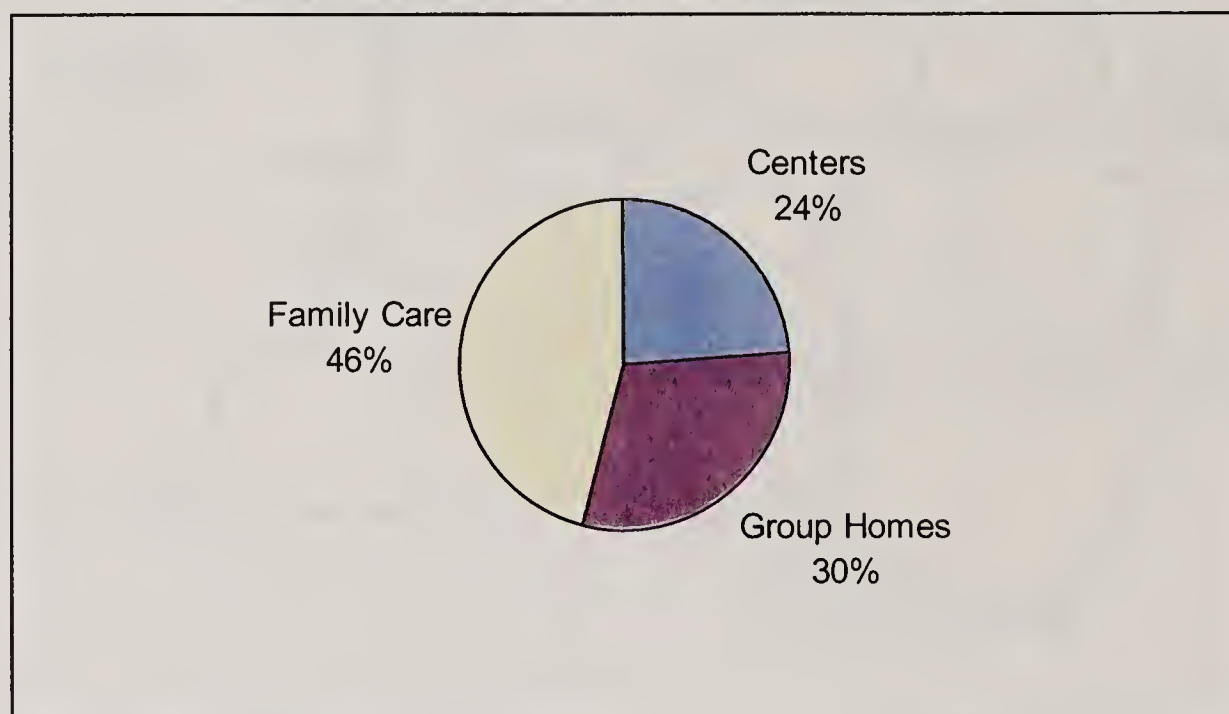
Average Median Income Regionally: **\$28,268**

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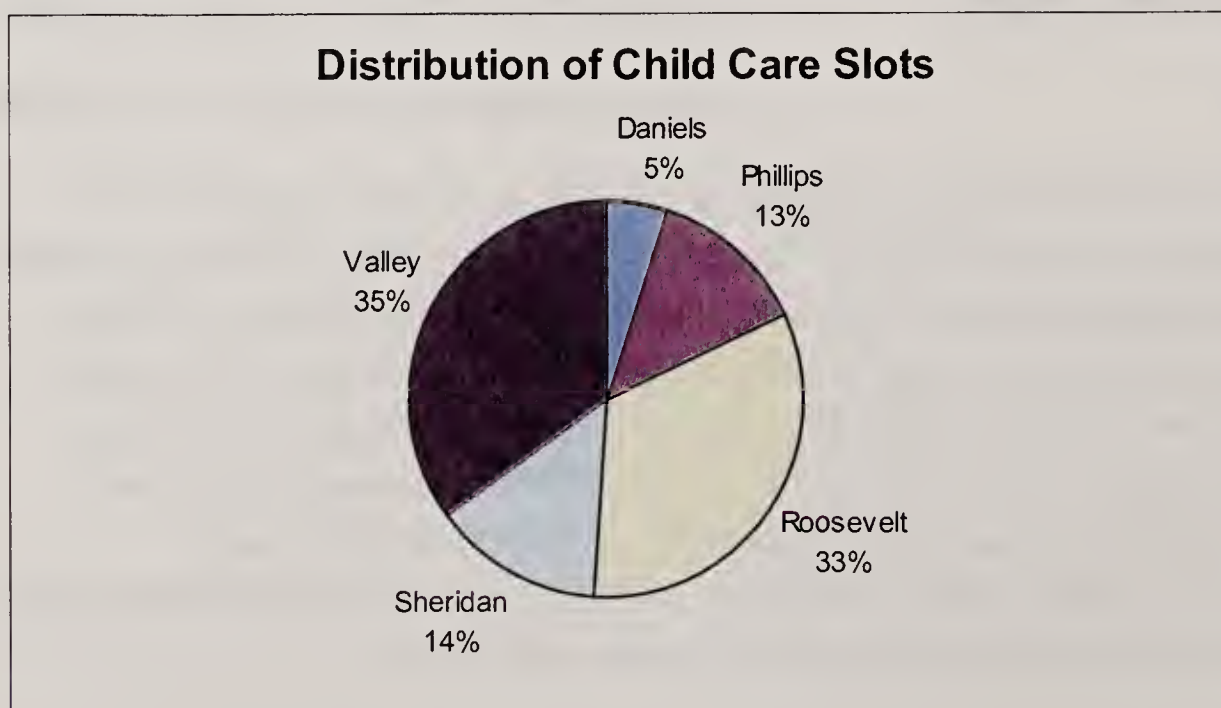
Regulated Child Care Capacity

Regulated child care is available in every county in the Glasgow region. As of January 2004, two child care centers, 11 group homes, and 28 family child care homes provided a total of 361 regulated child care slots throughout the Glasgow CCR&R region. However, only two counties had center based care, Sheridan County and Roosevelt County, with one licensed child care center apiece. Between FY 2002 and FY 2003, the Glasgow region lost over 40% of its regulated child care facilities (second in the number of providers lost next to the Lewistown CCR&R region). The majority of regulated child care slots in the Glasgow region are provided by registered family child care and group homes. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Glasgow Region



With an estimated 1,281 children under the age of five in need of care in the Glasgow region, the 361 regulated child care slots are available for just over 28% of those children. Of those regulated



slots, the majority (68%) are in Valley and Roosevelt Counties. Daniels, Phillips, and Sheridan counties house the remaining 32% with Daniels County holding only 5% of all the child care slots in the region. The chart to the left illustrates the percentage of

regulated slots in each county across the region.

A more meaningful way to look at the availability of care may be by population of children under 5 in need of care by county compared to the number of regulated child care slots. The table below indicates that Valley and Sheridan counties have enough slots to fill 41% and 39% of the estimated need for care respectively. Daniels and Phillips counties have enough regulated slots to fill almost 30% of the need, while Roosevelt County has enough slots to provide care for just 19% of children in need of care.

	Daniels County	Phillips County	Roosevelt County	Sheridan County	Valley County
Estimated number of children needing care	63	162	619	133	304
Percentage of need filled by regulated slots	29%	28%	19%	39%	41%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Glasgow region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Daniels County		Phillips County		Roosevelt County		Sheridan County		Valley County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	-	-	-	-	1	47	1	40	-	-
Group Homes	1	12	-	-	5	60	2	12	3	24
Family Care	1	6	8	46	2	12	-	-	17	102
Totals	2	18	8	46	8	119	3	52	20	126

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

There are no Star rated child care facilities in the Glasgow region.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Glasgow region accounted for 2% of all children served by the Best Beginnings Scholarship program statewide. A total of 206 children were served by the program in the Glasgow region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Daniels County	17	\$25,608	8.3%
Phillips County	42	\$63,552	20.4%
Roosevelt County	66	\$72,451	32.0%
Sheridan County	14	\$13,315	6.8%
Valley County	67	\$80,299	32.5%
Totals Glasgow Region	206	\$255,225	100%

Cost of Care

The Glasgow CCR&R region has the lowest cost of care in the state for infant care, and the fourth lowest cost for children over two. Even so, the cost of purchasing care for two children can consume

one-third to 85% of a family’s total household income. The region also has the second highest rate of poverty in the state, second only to Havre in the number of families living at the poverty level or below. Based on the 2003 median household income (\$28,268), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,360 or 33% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend just under 85% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Glasgow region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Glasgow Region (75 th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$390	\$347	\$390	\$303
Age 2 and up	\$390	\$340	\$347	\$260

*Legally Unregistered Provider

Regional Assets

Assets identified by key stakeholders in the Glasgow region included access to training which is now available in each county. Specific training opportunities mentioned included infant and toddler training and college ECE courses offered through Dawson College in Glendive. Collaboration among social service agencies was also identified as a true asset for this region. Hi-Line Homes Programs, Inc. in Glasgow houses both CCR&R services and early intervention services, providing an opportunity to support inclusion of children with disabilities in child care settings. Hi-Line has also had success connecting parents with providers who will care for children with special needs; plus they make sure a case worker through Part C meets with both the parent and provider to assure they access the Special Needs Subsidy through the Best Beginnings Scholarship program. “Hi-Line Homes works to be accessible to all providers as well as the community.” Additional collaboration and outreach is conducted to create child identification cards with local law enforcement. The CCR&R agency also has satellite offices in communities within each county and travels there once a month for appointments with providers, parents, or to deliver equipment and forms.

Additional assets mentioned by one stakeholder included the following.

- The Early Childhood Project awards scholarships to providers for accreditation.

- Best Beginnings Mini Grants are easily accessed by providers for up to \$1,000.
- The Apprenticeship Program has been very successful because the peer-to-peer approach works well in this region.
- “The Children” – One provider said that the best thing was working with the children. She said she would not be a provider if they were not the best thing!

Regional Issues

Low wages for providers was identified as a major issue in the Glasgow region, along with the distance providers in outlying areas have to travel for training or to attend meetings at the CCR&R agency. Dawson Community College has been providing ECE courses in the area, and nine providers have taken satellite courses over the last 2 years. However, core classes for degrees are not available and so there are a number of providers who can not complete their degree programs.

Additional issues included that many providers are not aware of quality initiatives even with the outreach provided by the CCR&R agency, and that many parents need part time, evening and weekend care which is difficult to find (as is infant care).

Due to the very rural nature of this region, sometimes there are no addresses for residents. There is also a lack of use of quality improvement programs. Additionally, licensing and other service providers drive a lot to serve the relatively few regulated providers here. There is also, “resistance to government among residents,” and the tribal Council experiences a high turnover rate. The area also has high levels of poverty and violence. This region experiences awful travel weather. Training delivery is a challenge and background checking of tribal providers is limited because they are on sovereign land.

Quality Initiatives

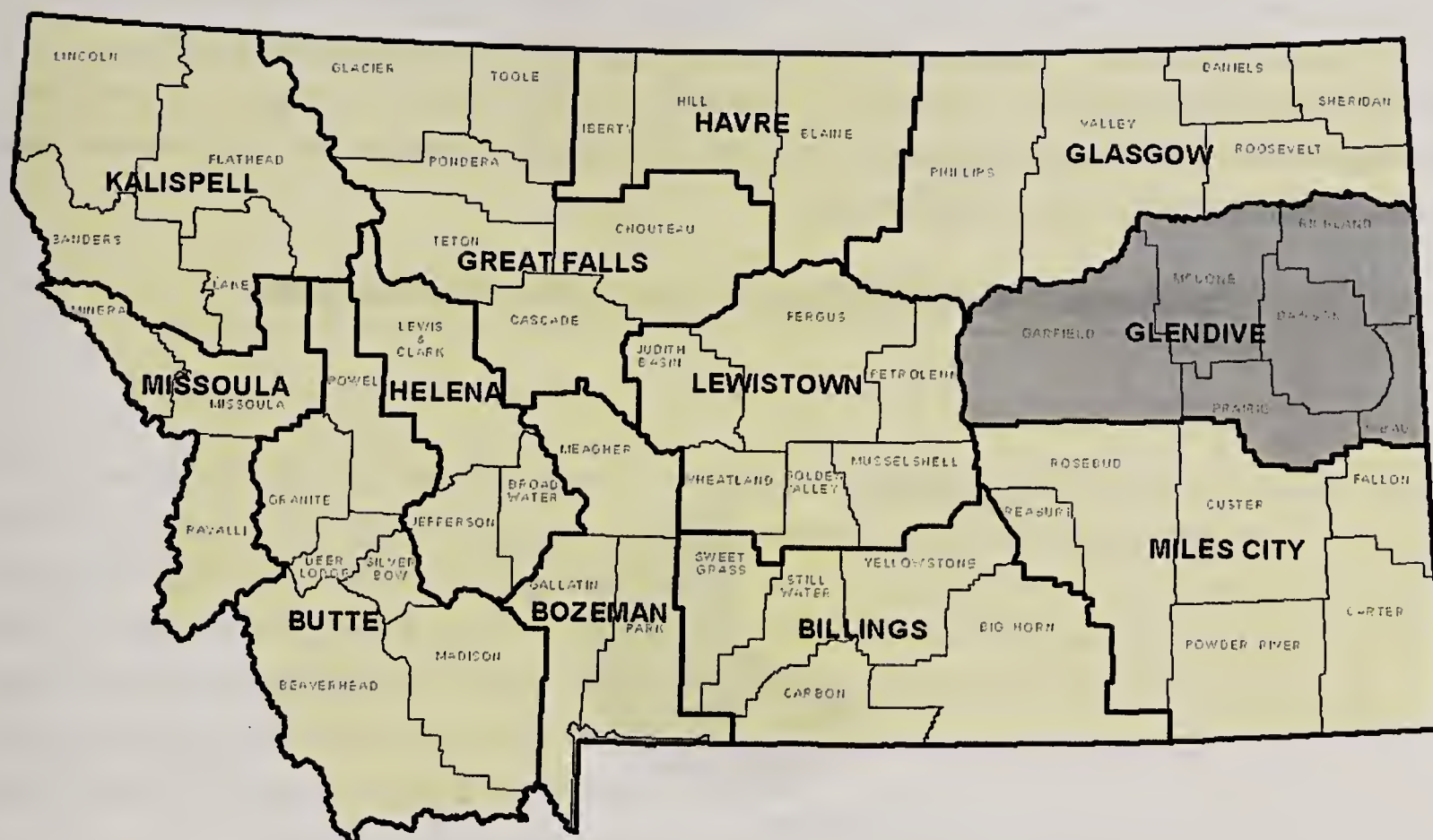
In FY 2002, the Glasgow region received \$5,522 in quality improvement grants funded through DPHHS. In FY 2003, the region received \$2,900 illustrating a decrease of 47% in the already small amount of grant funding for quality initiatives funded through Best Beginnings. In 2002 and 2003, Merit Pay and Mini Grants were the only two quality initiatives funded in this region, which combined equaled less than 1% of all quality improvement grant funding dispersed by DPHHS both of those years.

The region went from having 5 providers at a Level 3 or above in 2002 to having 6 in 2003, representing 20% increase. During that same time, the amount of Merit Pay received by providers in the Glasgow region decreased from \$3,800 to \$1,400, a decrease of 63% even with the increase in providers at a Level 3 on the Career Path. The region has never received a Mentoring, Infant Toddler Demonstration Project, or Specialized Training Grants, and no providers in the region received

Provider Grants in either 2002 or 2003. Mini Grant awards to providers in the Glasgow region decreased by almost 13% between 2002 and 2003 as well. The table below describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Glasgow CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	0%	-	0%	-
Merit Pay	3%	\$3,800	1 %	\$1,400
Mini-Grants	3%	\$1,722	1%	\$1,500
Provider Grants	0%	-	0%	-
Specialized Training Grant	0%	-	0%	-
Total	<1%	\$5,522	<1%	\$2,900

Glendive



Total Population in 2000: **24,249**

Population Under 5 in 2000: **1,322**

Percentage Living Below Poverty: **12.08%**

Average Cost of Infant Care Regionally: **\$355**

Square Miles: **14647.86**

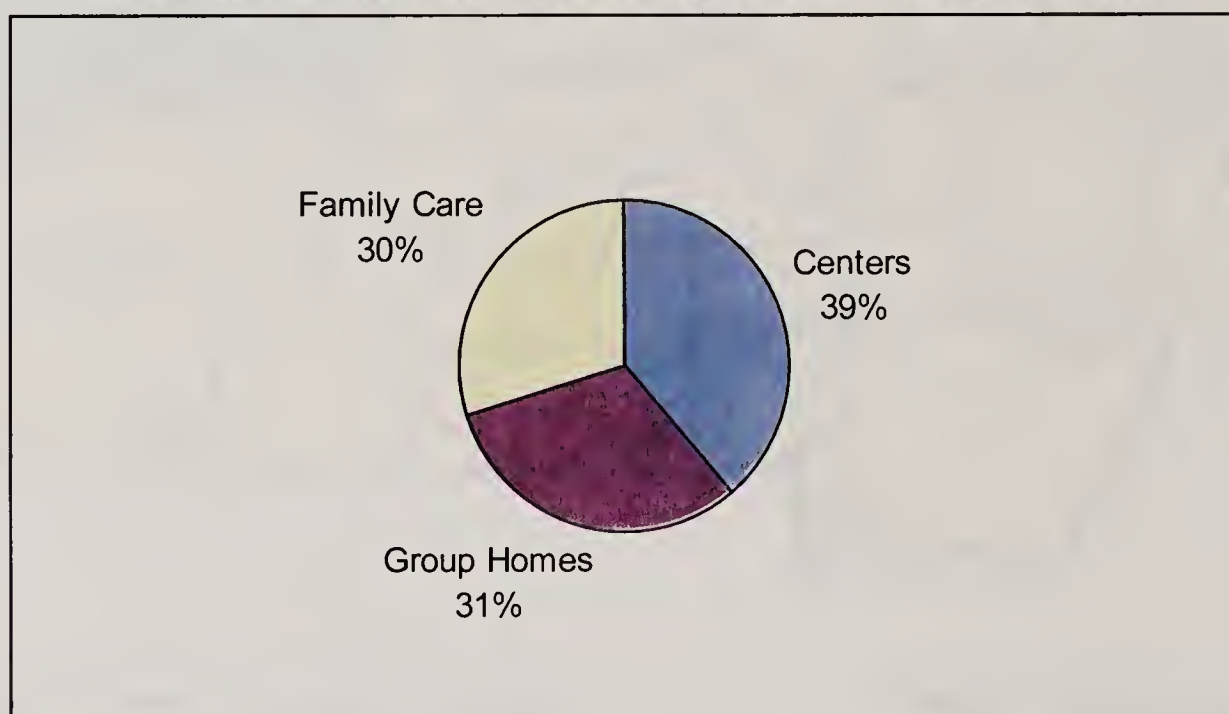
Average Median Income Regionally: **\$28,802**

The Glendive region of the state child care resource and referral (CCR&R) network is comprised of six counties in eastern Montana: Dawson, Garfield, McCone, Prairie, Richland, and Wibaux. Richland and Dawson Counties have the largest populations and the highest population densities in the region, at 4.6 and 3.8 people per square mile respectively. Wibaux County has a population density of 1.2 people per square mile, and the remaining counties Garfield, McCone and Prairie all have population densities of less than one person per square mile. Every county in this region experienced a decrease in population between 2000 and 2002 resulting in a region-wide loss of 4% of the total population between those years.

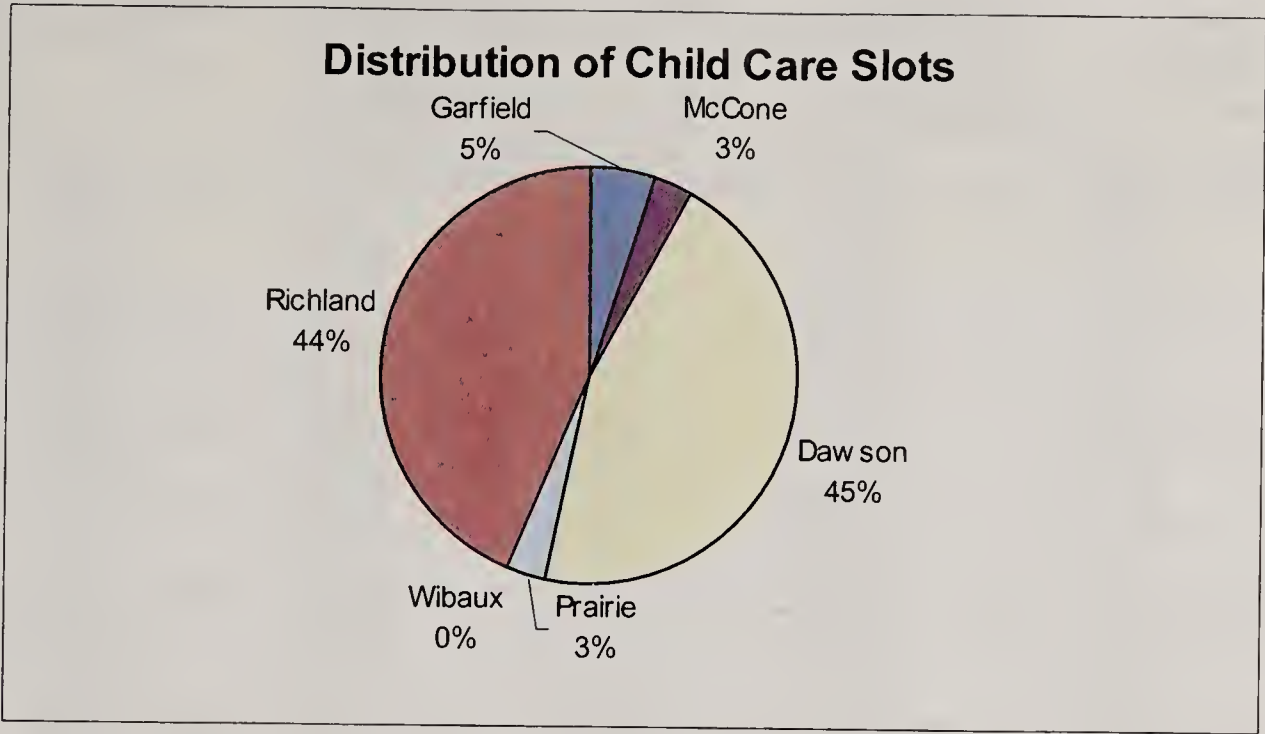
Regulated Child Care Capacity

Regulated child care is available in every county in the Glendive CCR&R region except for Wibaux, and only two counties have center based care. As of January 2004, 4 child care centers, 11 group homes, and 23 family child care homes provided a total of 426 regulated child care slots throughout the Glendive region. There were two child care centers in Dawson County and two in Richland County. Between FY 2002 and FY 2003, the Glendive region lost almost 7% of its regulated child care facilities. The majority of regulated child care slots in the region are provided by registered family child care and group homes. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Glendive Region



With an estimated 952 children under the age of five in need of care, the 426 regulated child care slots in the Glendive region are available for just under 45% of those children. Of those regulated slots, 89% are in Dawson and Richland Counties. Three other counties, Garfield, McCone and Prairie house the remaining 11% of available regulated child care slots while Wibaux County has no regulated child care slots at all. The table on the following page illustrates the percentage of slots across the six counties in the Glendive region.



A more meaningful way to look at the availability of care may be by population of children under 5 who are in need of care by county compared to the number of available regulated child care slots. The table below indicates that Dawson County's supply of regulated child care slots fills 58% of the county's need for care, and Richland's supply fills 47% of the need for care. Garfield and Prairie counties have enough slots to fill one third of the need for child care slots, while McCone has enough regulated slots to fill just 16%. Wibaux County has absolutely no regulated slots for the estimated 40 children in need of care there.

	Dawson County	Garfield County	McCone County	Prairie County	Richland County	Wibaux County
Estimated number of children needing care	333	62	77	36	404	40
Percentage of need filled by regulated slots	58%	34%	16%	33%	47%	0%

The table on the following page identifies both the number of regulated facilities and the number of child care slots available in each county in the Glendive region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Dawson County		Garfield County		McCone County		Prairie County		Richland County		Wibaux County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	2	85	-	-	-	-	-	-	2	80	-	-
Group Homes	6	72	1	12	-	-	1	12	3	36	-	-
Family Care	6	36	3	9	2	12	-	-	12	72	-	-
Totals	14	193	4	21	2	12	1	12	17	188	0	0

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Glendive region remained stable from 2002 to 2003. Currently, the region has two Star rated providers comprising 5% of all regulated providers in the region.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Glendive region accounted for 3% of all children served by the Best Beginnings Scholarship program statewide. A total of 295 children were served by the program in the Glendive region during that fiscal year. The table on the following page describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Dawson County	130	\$149,755	44.1%
Garfield County	24	\$22,648	8.1%
McCone County	16	\$21,262	5.4%
Prairie County	6	\$3,979	2.0%
Richland County	116	\$126,682	39.3%
Wibaux County	3	\$6,121	1.0%
Totals Glendive Region	295	\$330,447	100%

Cost of Care

The Glendive CCR&R region has the second lowest cost of care for children of all ages in the state. Even so, the cost of purchasing care for two children can consume almost one-third to more than 85% of a family's total household income. The region also has the sixth highest percentage of families living at or below the poverty level. Based on the 2003 median household income (\$28,802), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,180 or 32% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend more than 85% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Glendive region. Rates are listed in the table on the following page according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Glendive Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$403	\$357	\$379	\$282
Age 2 and up	\$362	\$347	\$347	\$260

* Legally Unregistered Provider

Regional Assets

The most frequently mentioned assets in the Glendive area were quality improvement projects funded through Dawson Community College. The college started an Early Childhood degree program after Head Start mandated college degrees for their teachers. Additionally, the college has also received Mentoring and Specialized Training grants that have resulted in higher education levels enabling an increasing number of providers to reach Level 3 on the Career Path. The second most frequently mentioned asset was the collaboration engaged in by the regional Head Start, Dawson Community College, the region's CCR&R agency (DEAP), and the Big Sky Child Care Association. Activities for children, families, and providers are coordinated by these agencies such as trainings, transportation to events, and conferences. A collaborative group also plans 2 training conferences each year. This group meets monthly to plan biannual events, and includes the Glendive Public School system, a domestic violence intervention agency, and Prairie View Special Services.

Dawson Community College also received a grant for a program called Campus Child Care which requires that a local center with an infant program be accredited within the next year. At the time of this report, that program was on target for achieving accreditation.

In addition, the CCR&R is co-located with WIC and other social service programs to facilitate cross-program referrals. The area's economy is showing signs of improvement with the oil industry making a come back.

Regional Issues

In the last several years, the Glendive CCR&R region lost two large employers – an oil production plant and a facility for mentally disabled adults. The top issues that emerged during interviews with Glendive key stakeholders were the low wages of providers, and the low reimbursement rates from the Best Beginnings Scholarship program. At the same time, some providers talked about barely making payroll due to the high operational costs related to running a child care center. Programs housed in facilities where they have little overhead such as churches are far more solvent than those who have rent or mortgages due each month. In addition, the cost of liability insurance for Montana providers increased dramatically. Overwhelmingly, directors expressed a desire to pay providers what they are worth and give them benefits.

Several providers in this region were pursuing accreditation. However, not many were considering applying for a Star rated license because there reportedly are not very many children on the subsidy program in Glendive; and therefore, there was no incentive related to achieving a Star rating.

Additional issues included transportation, both for providers to attend training and for transporting children to and from lessons, school and field trips. A shortage of infant care was also reported.

Issues that were mentioned by one stakeholder included the following: attendance fluctuates at local centers; CACFP requirements result in an abundance of wasted food; lack of notice when parents on the subsidy program are no longer eligible result in unpaid balances left by parents; and CDA is diminishing in importance as Head Start mandates increase education requirements. This area also has a relatively high level of violence.

“Education makes or breaks a good provider” – Montana Center Director

“If rates were regulated, with all child care costing the same, people wouldn’t shop according to cost, but by quality” – Montana Center Director

Quality Initiatives

Dawson Community College houses three Early Care and Education quality initiatives funded by Best Beginnings: Early Childhood Helping Opportunities training initiative (ECHO), a Mentoring Grant, and a Higher Education Grant.

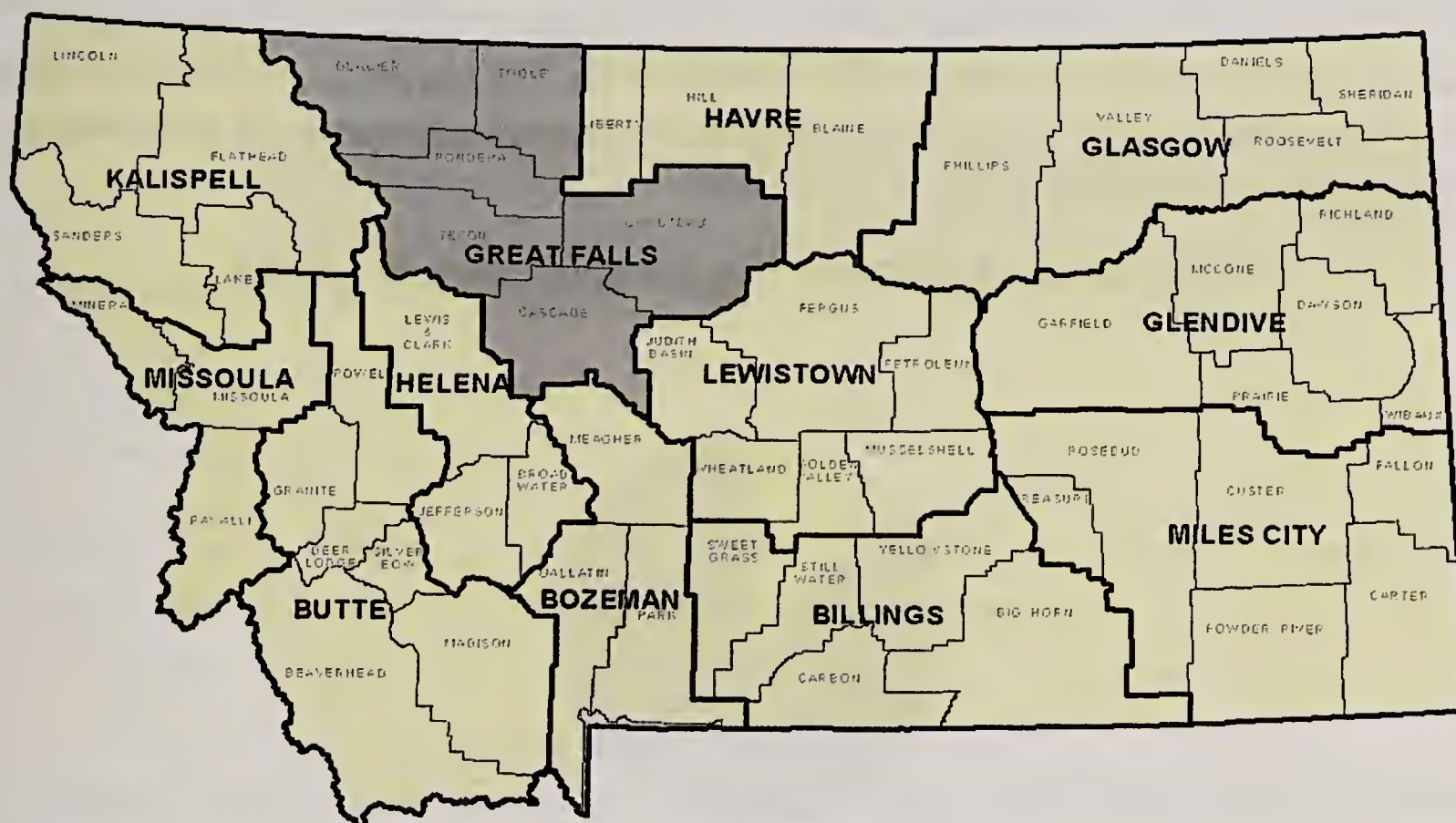
In FY 2002, the Glendive region received \$94,654 in quality improvement grants funded through DPHHS, 8% of the grant funding dispersed that year. In 2003, the region received \$71,857 illustrating a decrease of 24% in grant funding for regional quality initiatives funded through Best Beginnings (6% of grant funding dispersed that year).

The region went from having 13 providers at a Level 3 or above in 2002 to having 15 in 2003, representing a 15% increase. During that same time, the amount of Merit Pay received by providers in the Glendive region decreased from \$6,200 to \$2,000, a decrease of 68% even with the slight increase in providers at Level 3 on the Career Path. Although the region has never received an Infant Toddler Demonstration Project grant, Dawson College successfully applied for a grant to fund their “Campus Child Care” project which will result in an accredited child care center with an emphasis on quality care for infants and toddlers. While the region lost a nominal amount in their Specialized Training Grant between 2002 and 2003, the percentage of the total state funding for those grants increased from 12% of all Specialized Training Grants awarded statewide to 26%. The amount of funding for providers in the region through Provider Grants was cut in half between 2002 and 2003. Mini Grant awards to providers in the Glendive region decreased as well by a dramatic 82% between 2002 and 2003. The table on the following page describes the break down

in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Glendive CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	18%	\$23,047	18%	\$24,482
Merit Pay	5%	\$6,200	2%	\$2,000
Mini-Grants	8%	\$5,407	1%	\$970
Provider Grants	9%	\$30,000	4%	\$15,000
Specialized Training Grant	12%	\$30,000	26%	\$29,405
Total	8%	\$94,654	6%	\$71,857

Great Falls

**Population Under 5 in 2000: 7,847**

Average Cost of Infant Care Regionally: \$399

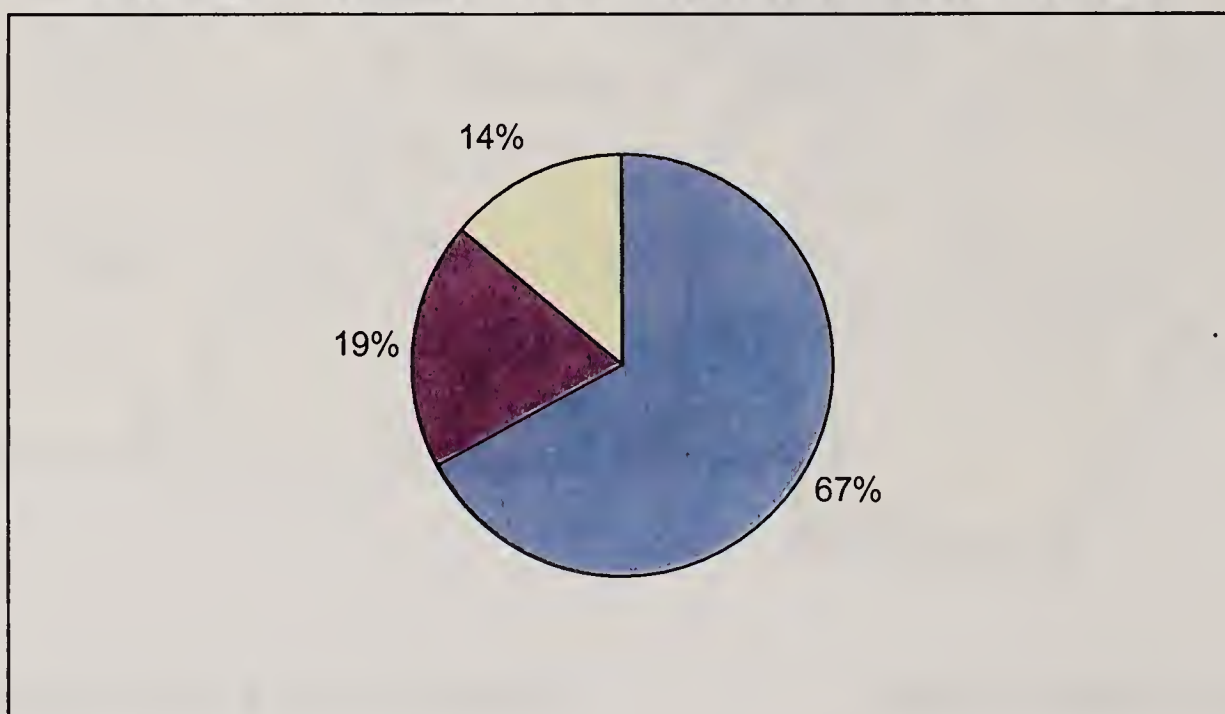
Average Median Income Regionally: \$30,145

The Great Falls region of the statewide child care resource and referral (CCR&R) network is comprised of six counties in eastern Montana: Cascade, Chouteau, Glacier, Pondera, Teton and Toole. Most of Glacier County and a portion of Pondera County are included in the reservation lands of the Blackfeet Tribe which experienced one of the highest unemployment rates in the state between 2000 and 2003. By far, the largest population in the region resides in Cascade County, which has a population density of almost 30 people per square mile. Glacier County then has the next highest population density at 4.4 people per square mile, followed closely by Pondera with 4 people per square mile. Toole and Teton counties each have population densities of 2.8 people per square mile, and Chouteau County has a population density of just 1.5 people per square mile. Every county in this region experienced a decrease in population between 2000 and 2002 resulting in a region-wide loss of 1.7% of the total population between those years.

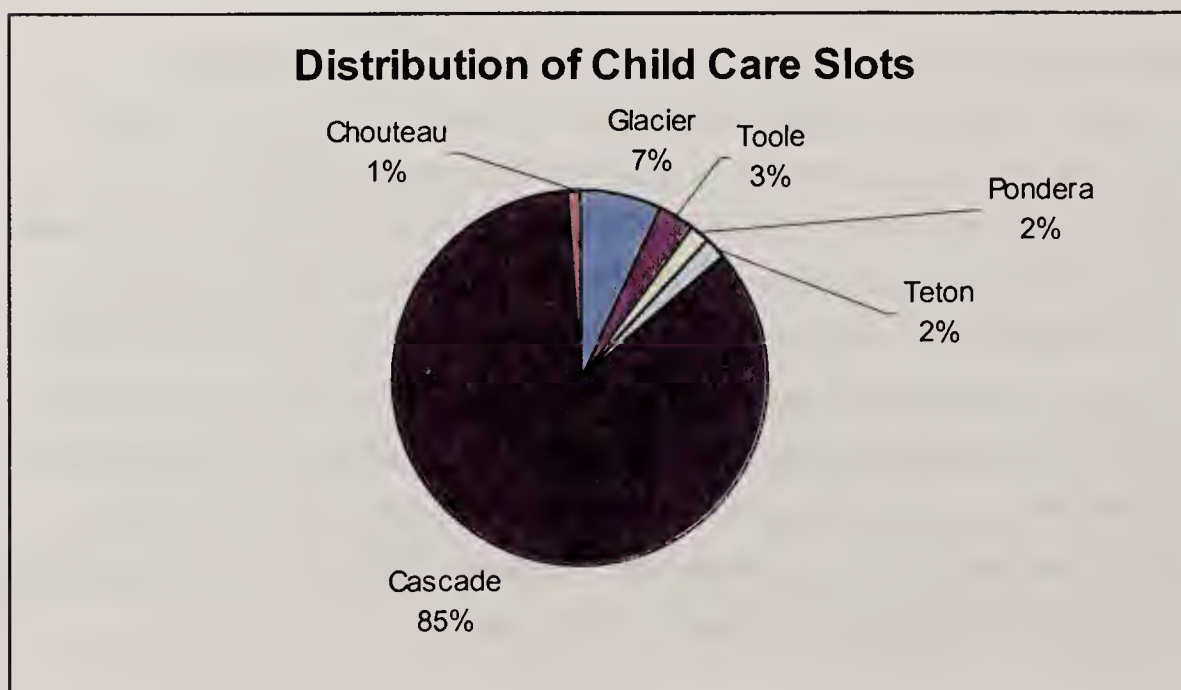
Regulated Child Care Capacity

Regulated child care is available in every county in the Great Falls region. As of January 2004, 42 child care centers, 54 group homes, and 81 family child care homes provided a total of 3,342 regulated child care slots throughout the Great Falls region. 88% of those slots are located in Cascade County. Only three of the six counties have center based care. There are 37 child care centers in Cascade County; 4 in Glacier, and one in Toole. Between FY 2002 and FY 2003, the Great Falls region lost 19% of its regulated child care facilities. The majority of regulated child care slots in the region are provided by child care centers. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Great Falls Region



With an estimated 5,650 children under the age of five in need of care in the Great Falls region, the 3,342 regulated child care slots are available for 59% of those children. Of those regulated slots,



85% are in Cascade County; 7% are in Glacier County, and the remaining 8% are distributed throughout the other four counties. The chart to the left illustrates the percentage of slots across the six counties in the Great Falls region.

A more meaningful way to look at the availability of care may be by population of children under 5 who are in need of care in each county, compared to the number of available regulated child care slots. The table below indicates that Cascade County's supply of regulated child care slots fills 74% of the county's need for care, and the supply in Toole County fills 49% of the need for care. Glacier and Teton counties have enough slots to fill 32% and 25% respectively of the need for care, while Pondera has enough regulated slots to fill 19% of the need. Chouteau County has just 11% of the number of regulated slots to fill the estimated need for care.

	Cascade County	Chouteau County	Glacier County	Pondera County	Teton County	Toole County
Estimated number of children needing care	3819	279	773	287	288	204
Percentage of need filled by regulated slots	74%	11%	32%	19%	25%	49%

The table below identifies both the number of facilities and the number of child care slots available in regulated settings for each county in the Great Falls region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Cascade County		Chouteau County		Glacier County		Pondera County		Teton County		Toole County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	37	2093	-	-	4	117	-	-	-	-	1	40
Group Homes	37	444	1	12	8	96	2	24	4	24	2	24
Family Care	50	300	3	18	7	36	6	30	8	48	7	36
Totals	124	2837	4	30	19	249	8	54	12	72	10	100

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Great Falls region increased from four in 2002 to five 2003. As of March 2004, the Great Falls CCR&R region held seven Star rated providers comprising 4% of all regulated facilities in the region.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Great Falls region accounted for 16% of all children served by the Best Beginnings Scholarship program statewide. A total of 1,710 children were served by the program in the Great Falls region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships In the Region
Cascade County	1,424	\$2,574,926	83.3%
Chouteau County	13	\$19,310	0.8%
Glacier County	159	\$196,210	9.3%
Pondera County	32	\$36,725	1.9%
Teton County	34	\$45,911	2.0%
Toole County	48	\$90,091	2.8%
Totals Great Falls Region	1,710	\$2,963,173	100%

Cost of Care

The Great Falls CCR&R region has the third highest cost of care for children over the age of two and the fourth lowest cost in the state for children under the age of two. The cost of purchasing care for two children can consume 41% to 114% of a family's total household income. The region also has the fourth lowest percentage of families living in poverty out of the 12 CCR&R regions. Based on the 2003 median household income (\$30,145), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$12,252 or 41% of their total household income on child care. Child care for those same two children would cost a single parent making minimum wage (\$10,712 per year) 14% more than the total household income.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Great Falls region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Great Falls Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$544	\$390	\$379	\$282
Age 2 and up	\$477	\$379	\$347	\$260

*Legally Unregistered Provider

Regional Assets

Collaboration between both agencies and providers in the Great Falls region was the most frequently cited asset according to key stakeholders. Examples of effective local collaborations included one that supported before and after school care for 1,450 school age kids in the region; public agencies, associations and providers that work together to increase professionalism by bringing quality training and higher education to the region; and a number of collaborations between the tribal CCDF representatives, state child care licensing, and Family Connections, the CCR&R agency in Great Falls.

Another asset mentioned by more than one stakeholder was the variety of child care arrangements available during daytime hours in the Great Falls area. There are also some high quality, dedicated providers in the Great Falls area.

Other assets mentioned by one stakeholder included the following: a Community Block Grant provides some funding for after school child care scholarships; The Helping Hands after school

program recruits middle school kids who have aged out of the program to return as volunteers where they are mentors (after age 16 those same kids can apply to be employed by program); extended family members in some smaller communities are able to assist by picking up children from school if they are sick; UM Western ECE classes allow people to get higher levels of education; Family Connections is a great CCR&R that is very open and helpful; and co-pays for parents at the lower end of poverty make regulated care affordable.

Regional Issues

The Great Falls region is very rural outside of the city of the same name. An Air Force base is also in this region with a different licensing system operated by the military. The region of Great Falls also has the largest licensing case load and a newly implemented full-day kindergarten competes with providers for children.

The most frequently identified issue in the Great Falls region was the affordability of care, not surprisingly since this region has one of the highest rates charged for care according to the 2002 Market Rate survey. A lack of quality and off-hour care were cited as additional issues along with the low wages of providers and decreases in state funding for child care. Key stakeholders are also seeing an increase in behavior issues in children.

Additional issues mentioned by one key stakeholder included: some families work 3-4 jobs and some children in those families cannot be cared for in the same facility. There is a wedge between Family Connections and providers due to the reduction in families receiving child care subsidies, implementation of the new all day kindergarten this year which has created competition for providers, and the CCR&R has had to implement more requirements for tracking welfare and subsidy recipients this year. In addition, and one key stakeholder would like to see new training opportunities offered through the CCR&R.

Quality Initiatives

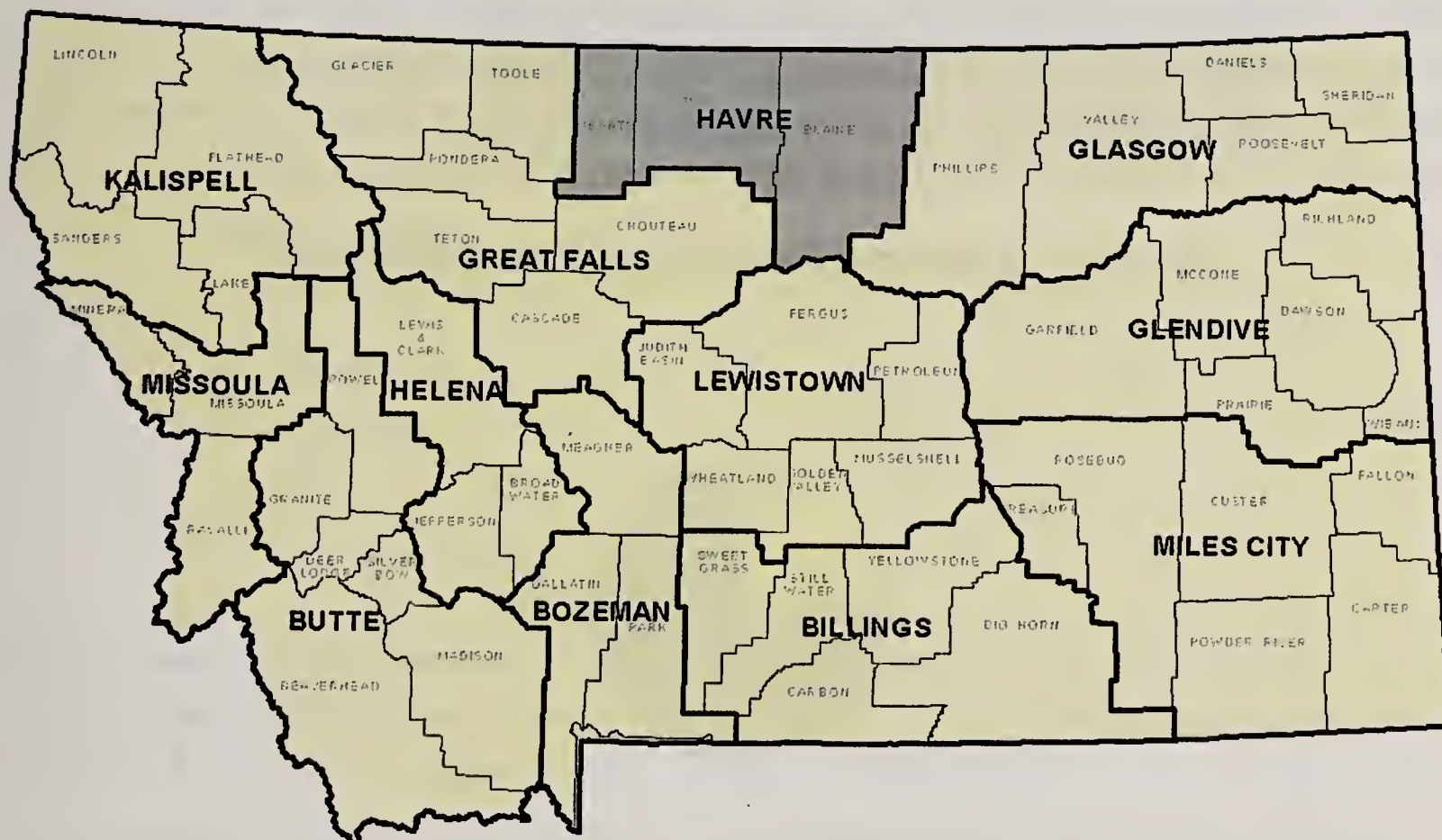
In FY 2002, the Great Falls region received \$110,802 in quality improvement grants funded through DPHHS, 9% of grant funding dispersed statewide. In 2003, the region received \$141,125, an increase of 27% in grant funding for regional quality initiatives funded through Best Beginnings (12% of grant funding dispersed that year).

The region went from having 28 providers at a Level 3 or above in 2002 to having 45 in 2003, representing a 61% increase! During that same time, the amount of Merit Pay received by providers in the Great Falls region increased from \$22,000 to \$35,800, an increase of 61% as well. This region also received a 21% increase in Infant Toddler Demonstration Project grants, from \$58,599 in 2002 to \$70,860 in 2003. The region has not had a mentoring program in the last two years, at least not one funded by Best Beginnings, and the only funding area this region saw a decrease in was in their Specialized Training Grant which went from receiving \$15,000 in 2002 to

receiving nothing in 2003. The amount of funding for providers in the region through Provider Grants was also increased dramatically between 2002 and 2003 by 100%, and Mini Grant awards to providers in the Great Falls region increased even more dramatically by more than doubling between 2002 and 2003. The table below describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Great Falls CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	19%	\$58,599	21%	\$70,860
Mentoring Grant	0%	-	0%	-
Merit Pay	17%	\$22,000	31%	\$35,800
Mini-Grants	7%	\$4,483	14%	\$14,465
Provider Grants	3%	\$10,000	6%	\$20,000
Specialized Training Grant	6%	\$15,000	0%	-
Total	9%	\$110,802	12%	\$141,125

Havre



Total Population in 2000: **25,840**

Population Under 5 in 2000: **1,862**

Percentage Living Below Poverty: **19.23%**

Average Cost of Infant Care Regionally: **\$376**

Square Miles: **8,601.31**

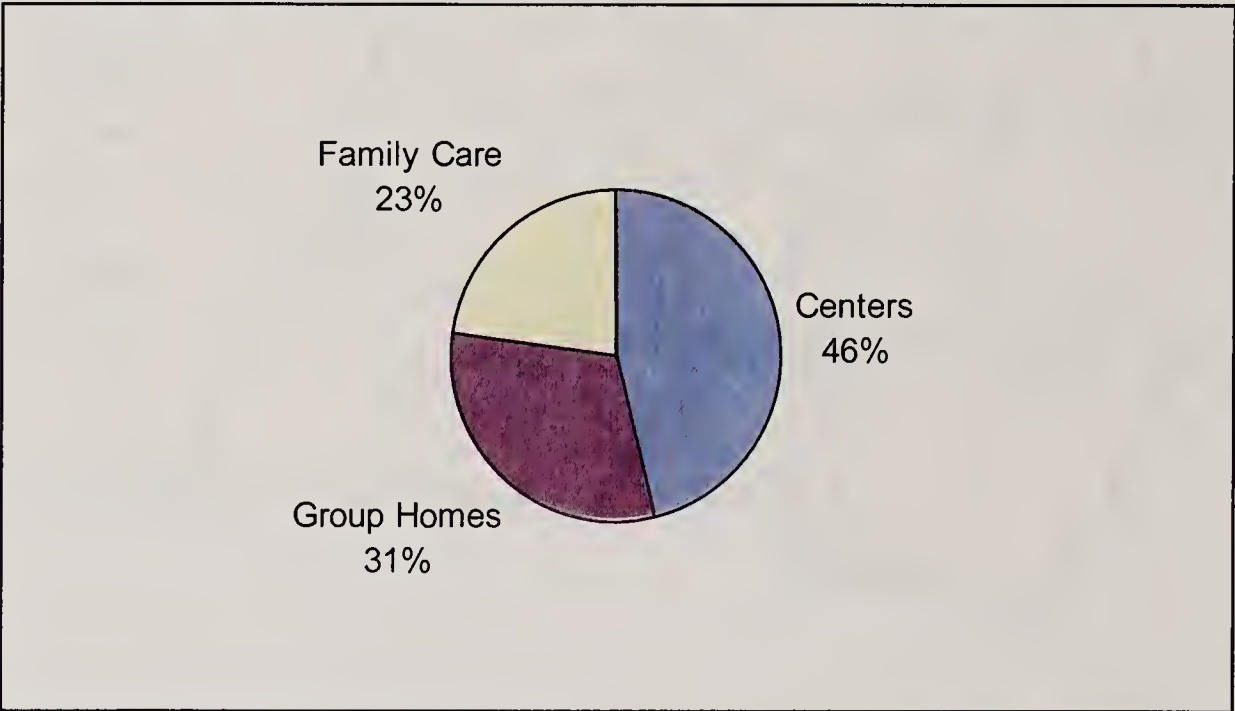
Average Median Income Regionally: **\$28,771**

The Havre region of the state child care resource and referral (CCR&R) network is comprised of three counties in north central Montana: Blaine, Hill and Liberty. A portion of Blaine County and a smaller portion of Hill County are included in tribal reservations which have higher populations of children under the age of five and experience significantly higher levels of unemployment than the remainder of the state. Hill County has the largest population in the region and has a population density of 5.8 people per square mile. Both Blaine and Liberty counties have population densities of less than 2 people per square mile (1.7 and 1.5 people per square mile respectively). All three counties in this region experienced a decrease in population between 2000 and 2002 resulting in a region-wide loss of 2% of the total population between those years.

Regulated Child Care Capacity

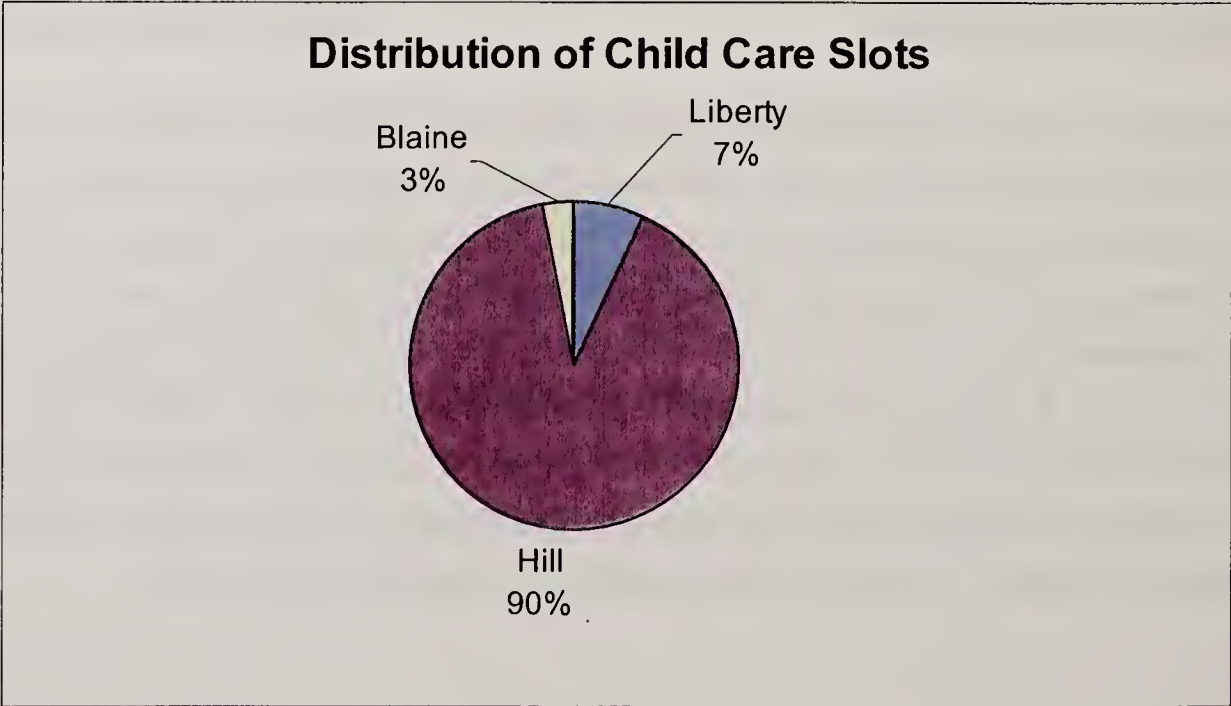
Regulated child care is available in every county in the Havre region. As of January 2004, 3 child care centers, 14 group homes, and 14 family child care homes provided a total of 373 regulated child care slots throughout the Havre region. Two counties have center based care. There are two child care centers in Hill County, and one in Liberty. Between FY 2002 and FY 2003, two new regulated child care facilities opened in the Havre region making it one of only two regions that experienced an increase in regulated facilities. The majority of regulated child care slots in the region are provided by group home and family child care facilities. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Havre Region



With an estimated 1,341 children under the age of five in need of care in the Havre region, the 373 regulated child care slots are available for 28% of those children. Of those regulated slots, 90% are in Hill County; 7% are in Liberty County, and Blaine County holds only 3%. The pie chart on the right illustrates the percentage of slots across the three counties in the Havre region.

A more meaningful way to look at the



availability of care may be by population of children under 5 who are in need of care in each county, compared to the number of available regulated child care slots. The table below indicates that Hill County's supply of regulated child care fills 39% of the county's need for care, and the supply in Liberty County fills 34% of the need for care. Blaine County has only 3% of the regulated slots required to make care available for all children in need.

	Blaine County	Hill County	Liberty County
Estimated number of children needing care	409	852	79
Percentage of need filled by regulated slots	3%	39%	34%

The table below identifies both the number of facilities and the number of child care slots available in regulated settings for each county in the Havre region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Blaine County		Hill County		Liberty County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	-	-	2	152	1	21
Group Homes	-	-	14	116	-	-
Family Care	2	12	11	66	1	6
Totals	2	12	27	334	2	27

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-

Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

There are no Star rated child care facilities in the Havre region.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Havre region accounted for 3% of all children served by the Best Beginnings Scholarship program statewide. A total of 313 children were served by the program in the Havre region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Blaine County	25	\$30,831	8%
Hill County	284	\$370,696	91%
Liberty County	4	\$5,511	1%
Totals Havre Region	313	407,038	100%

Cost of Care

The Havre CCR&R region has the fourth highest cost of care for children over the age of two and the fifth lowest cost of care for children under the age of two in the state. Even so, the cost of purchasing care for two children can consume more than one-third to 90% of a family's total household income. This region has the greatest percentage of families living at or below the poverty level out of the 12 CCR&R regions. Based on the 2003 median household income (\$28,771), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,696 or 34% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend more than 90% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent

years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Havre region. Rates are listed in the table on the following page according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month In Havre Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$422	\$390	\$390	\$303
Age 2 and up	\$386	\$390	\$390	\$303

* Legally Unregistered Provider

Regional Assets

This region's CCR&R agency, District IV HRDC Child Care Link, was cited as an asset. The agency's ability to do a really good job with the resources they have was specifically mentioned. The training they provide is affordable and high quality. The satellite courses offered through the college in Dillon are very good as well. Additionally, the CCR&R has a number of other collaborations with Head Start, Early Head Start, the local Provider Association, Stone Child College, Part C, and both tribes in the region (Fort Belknap and Rocky Boy). The work these entities participate in together and their coordinated approach is valued by stakeholders. Curricula for children are shared among providers as well. The CCDF Office on the Fort Belknap Reservation has been providing technical assistance to three other tribes regarding their subsidy system, which has been in place since 1991.

Another asset identified by stakeholders in the Havre region was the great providers. The fact that Head Start has a new facility was identified as another asset.

Regional Issues

The most frequently mentioned issue in the Havre region concerned transportation. It was noted that it is difficult for both parents and providers to transport children during the winter. Additionally, there no public transportation system exists in the Havre region. Therefore, families on TANF who may not have their own vehicles really struggle especially in the winter during 30-degree-below weather. Some providers offer transportation, but not many.

Affordability of child care is a problem especially for low-income families. In the last couple of years, funding was cut and many providers went out of business. The waiting list for Best Beginnings Scholarships hurt many providers and probably put parents out of work forcing some to go on TANF. There are not enough quality child care facilities, providing limited choices for families. There is also a lack of care for those who work sporadically or during non-traditional hours, making it hard for them to find consistent care.

The nearest college offering an ECE degree is in Dillon. Complicating matters, courses offered through the relatively new satellite program are on a 2-year cycle. If providers are unable to take a course, they have to wait a year. Additionally, a minimum of 10 people need to enroll in a class to ensure it is not cancelled, and one instructor teaches all the ECE courses so providers do not get a broad perspective.

Many parents looking for infant care have struggled. Many times the places with vacancies may not be high quality. However, due to lack of alternatives, parents may be forced to use them anyway. Parents with crazy schedules are stressed trying to work more than one job. As a result, some children are in what is referred to as “patchwork” care – where children are in care with more than one provider each day.

The Professional Development System in Montana rewards providers at Level 3 on the Career Path, but in Havre that is too high a goal resulting in frustration and lack of eligibility among providers to access greatly needed quality improvement grants. The system is not seen as inclusive for CCR&R regions without a university. Sometimes providers feel resentful in the Havre region because even the 8 hours of required training is perceived as too much.

Stakeholders agreed that it would be helpful if Best Beginnings targeted some funds to bolster quality in more flexible ways in the rural regions. If a process for determining each region’s greatest need were to be developed, it would be important to consult providers, provider groups and the local CCR&R agencies to design a system that works in for each rural region. Many caregivers get into child care because they had their own children and they provide good care, and have no intent of going on to higher education.

Stakeholders reported that working with the tribes is a challenge because their funds come down so differently. As a result, sometimes families get caught in the middle, especially in Fort Belknap. Specifically, the Rocky Boy Reservation and the state have not yet come to an agreement about who is licensing providers on the reservation, the state or the tribe. The result of this is that providers on the reservation cannot access state funds due to lack of licensure. Rocky Boy Tribes are in the process of developing their own licensing process, but in the interim there is no licensing. Additionally, it is challenging to recruit providers on the reservation. Many people do not want to provide care and get registered in their homes.

District IV HRDC Child Care Link staff stated that the decline in both case loads and providers presents quite a challenge. This becomes very difficult to keep up quality when funding is dependent on numbers and therefore is reduced. The Havre CCR&R agency has a highly educated quality trainer, but it may become hard to hang on to high quality staff if budget cuts continue. The CCR&R agency is currently at critical mass and is planning to cut staff hours again because funds were cut in the 2005 fiscal year Request For Proposal (RFP) as well. Child Care Link staff

recommended that a baseline for quality be established so a minimum standard can be achieved even in the face of budget cuts.

One of the largest issues faced by eligible families on the reservation is that Best Beginnings will not accept the tribal registration for either child care subsidies or standards of care. Tribal CCDF officials reported that this is frustrating because tribal background checks and other standards are equivalent to or higher than the state requirements. These issues require that tribal families and providers duplicate paperwork each year when CCDF tribal funds run out. District IV HRDC Child Care Link CCR&R is reportedly very helpful with training for tribal providers. However, the paperwork and lack of recognition for the tribal CCDF registration process for both parents and providers is a large issue. Families living on the reservation must first be denied benefits from Fort Belknap in order to get benefits from the state. This is an ongoing issue that the tribal representative is now discussing with federal CCDF.

Additional issues cited by stakeholders include that Havre struggles to get trainers even though it's a college town with federal funds; there are two reservations, and one tribe is considering self-licensure; travel to the reservation is very far and there are communication issues (sometimes no phones); this is a true frontier region, so when the weather is bad it is hard to travel. Additionally, the licensing agent is located in Havre, but licenses Glasgow facilities as well, resulting in a large geographic area to be licensed by one agent.

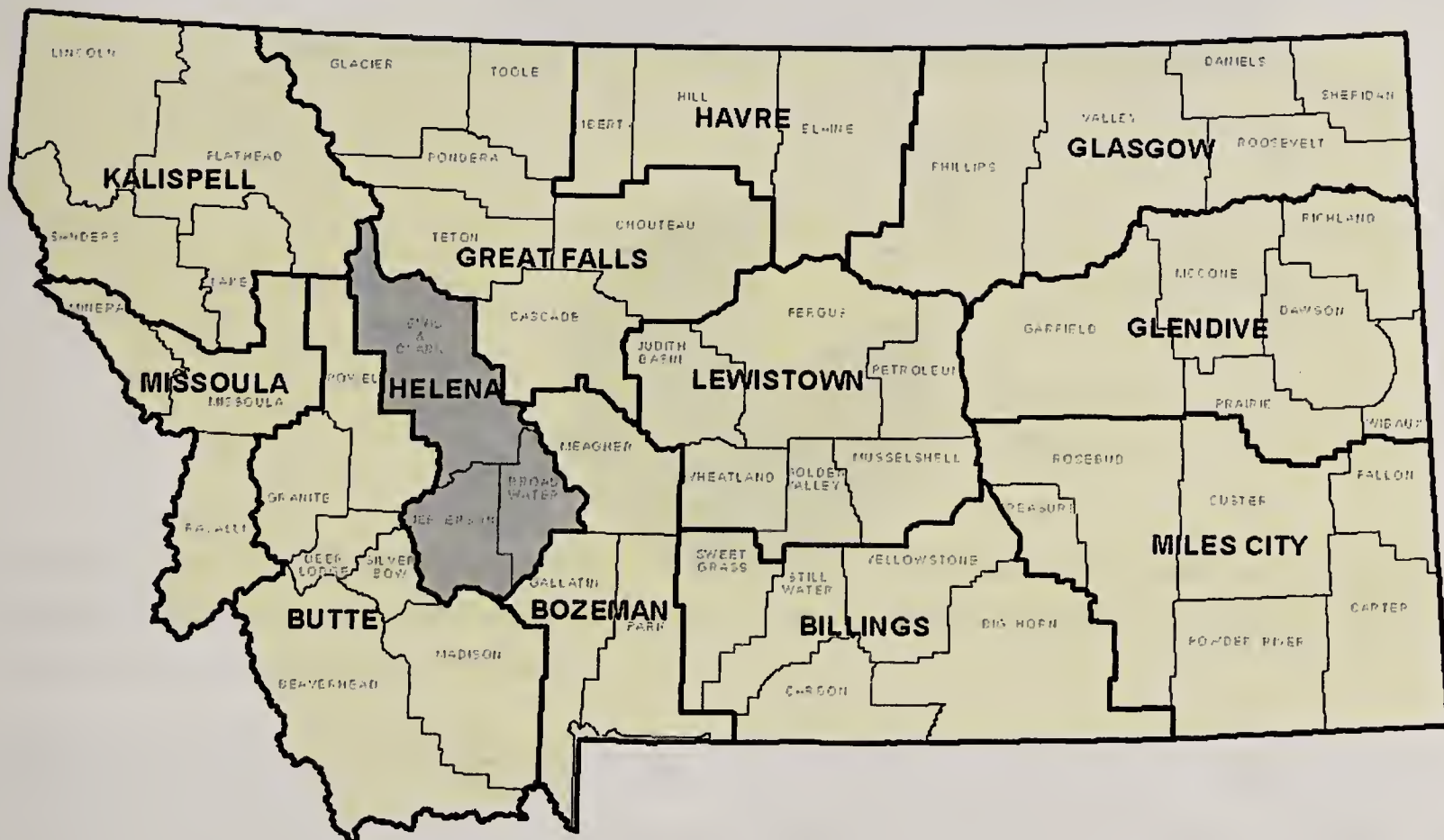
Quality Initiatives

In FY 2002, the Havre region received \$17,239 in quality improvement grants funded through DPHHS. In 2003, the region received \$15,956, a decrease of 7.4% in grant funding for regional quality initiatives funded through Best Beginnings. During both of those years, this region received 1% of all grant funding dispersed statewide to improve quality.

The number of providers at a Level 3 or above remained stable at two between 2002 and 2003. One Havre provider applied for and received Merit Pay in 2002, and no providers received it in 2003. This region did not receive an Infant Toddler Demonstration Project grant, a Mentoring Grant, or a Specialized Training Grant in either 2002 or 2003. The amount of funding for providers in the region through Provider Grants was the only quality improvement initiative that received and increase in funding between 2002 and 2003 (1%). Mini Grant awards to providers in the Havre region also dropped dramatically by 52% between 2002 and 2003. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Havre CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	0%	-	0%	-
Merit Pay	.3%	\$400	0%	-
Mini-Grants	3%	\$1,996	.9%	\$956
Provider Grants	5%	\$14,843	4%	\$15,000
Specialized Training Grant	0%	-	0%	-
Total	1%	\$17,239	1%	\$15,956

Helena



Total Population in 2000: **70,150**

Population Under 5 in 2000: **4,209**

Percentage Living Below Poverty: **7.2%**

Average Cost of Infant Care Regionally: **\$389**

Square Miles: **6394.96**

Average Median Income Regionally: **\$37,185**

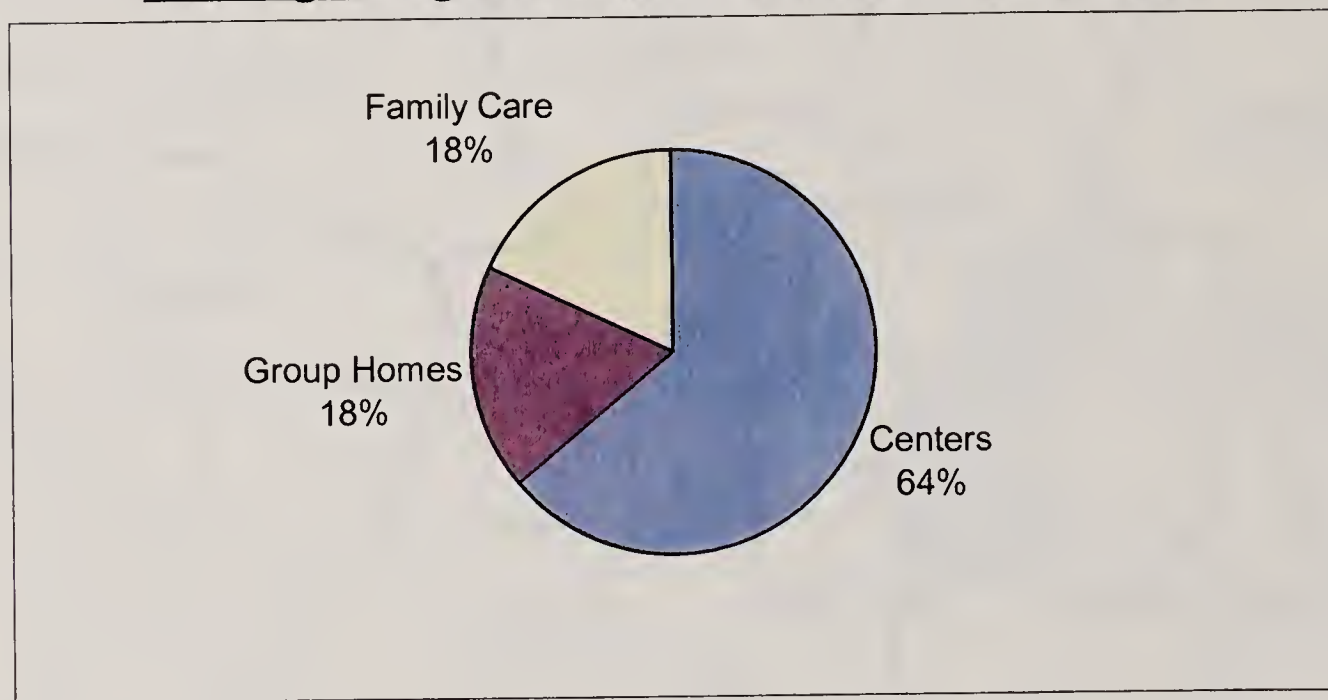
The Helena region of the state child care resource and referral (CCR&R) network is comprised of three counties in west central Montana: Lewis and Clark, Jefferson and Broadwater. Lewis and Clark County houses almost 80% of this region's population and has a population density of 16.1 people per square mile. Jefferson county has the next highest population density with 6.1 people per square mile, while Broadwater holds the lowest population density with 3.7 people per square mile. Overall, this region's population grew by almost 2% between 2000 and 2002. However, Broadwater County experienced a slight decrease in population between those same years.

Regulated Child Care Capacity

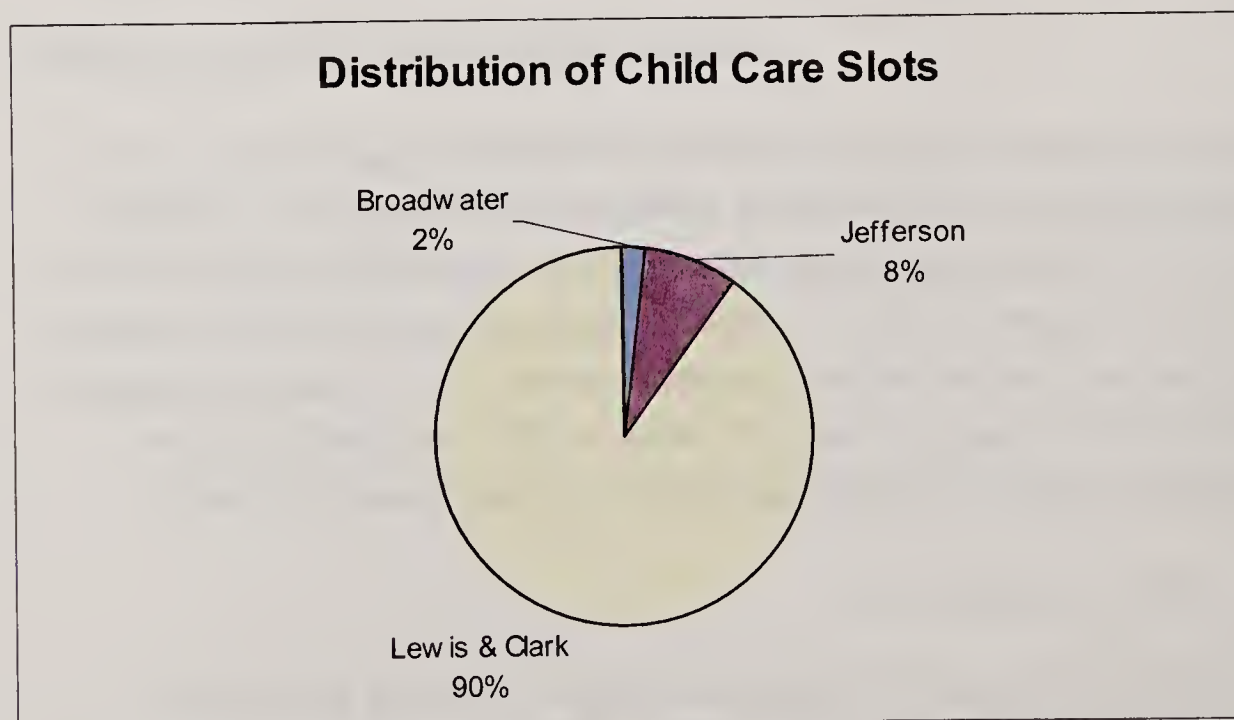
Regulated child care is available in every county in the Helena region, and only one of those counties does not have center-based care. As of January 2004, 19 child care centers, 31 group

homes, and 67 family child care homes provided a total of 2,108 regulated child care slots throughout the Helena region. The majority of regulated child care slots in the region are provided by child care centers. There are 16 child care centers in Lewis and Clark County, and three in Jefferson. Between FY 2002 and FY 2003, Helena saw a decrease of almost 22% in the number of regulated child care facilities. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Helena Region



With an estimated 3,030 children under the age of five in need of care in the Helena region, the 2,108 regulated child care slots are available for almost 70% of those children. Of those regulated slots however, 90% are in Lewis and Clark County; 8% are in Jefferson County, and Broadwater County holds only 2% of the region's regulated child care slots. The pie chart below illustrates the percentage of slots across the three counties in the Helena region.



Perhaps a more meaningful way to look at the availability of care may be by population of children under 5 in need of care in each county compared to the number of available regulated child care slots. The table below indicates that the

supply of regulated child care in Lewis and Clark County fills 76% of the county's need for care; the supply in Jefferson County fills 43% of the need for care; and the supply of regulated child care in Broadwater County is enough to fill approximately 29% of the need for regulated child care slots.

	Broadwater County	Jefferson County	Lewis & Clark County
Estimated number of children needing care	167	377	2,487
Percentage of need filled by regulated slots	29%	43%	76%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Helena region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Broadwater County		Jefferson County		Lewis & Clark County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	-	-	3	125	16	1231
Group Homes	2	24	2	24	27	324
Family Care	4	24	2	12	61	344
Totals	6	48	7	161	104	1899

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-

Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Helena region increased from two in 2002 to three in 2003. As of March 2004, the region had four Star rated providers, comprising 3% of all regulated providers here.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Helena region accounted for almost 6% of all children served by the Best Beginnings Scholarship program statewide. A total of 623 children were served by the program in the Helena region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Broadwater County	12	\$15,019	1.9%
Jefferson County	45	\$56,350	7.2%
Lewis & Clark County	566	\$888,037	90.9%
Totals Helena Region	623	\$959,406	100%

Cost of Care

The Helena CCR&R region has the fifth highest cost of care for children under the age of two and the fifth highest rate of care for children two and older in the state. The cost of purchasing care for two children can consume 28% to 97% of a family's total household income. The Helena region also has the lowest percentage of families in the 12 regions living at or below the poverty level. Based on the 2003 median household income (\$37,185), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$10,344 or 28% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend almost 97% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Helena region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Helena Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$472	\$390	\$390	\$303
Age 2 and up	\$390	\$347	\$351	\$260

*Legally Unregistered Provider

Regional Assets

The primary assets mentioned by key stakeholders in Helena included the presence of qualified, dedicated providers, both regulated and unregulated. There are also good training opportunities in Helena. Additionally, the ECSB Office is located in Helena. The state staff is very supportive and responsive, including the CACFP staff. Because Helena is the capitol, one local asset is stable employment with government agencies. A children's museum is also under development.

The local Head Start program operates its own full day care option for some enrolled families and is now licensed. The program reports that quality unregulated care is offered locally, but that because it is unregulated, it cannot be tracked. Head Start staff also observed that families with reliable child care and health insurance stay off of Welfare. Also, the local provider association is currently embarking on a pilot project to offer low-cost group health insurance to local providers.

The local CCR&R agency, Child Care Partnerships, is currently considering the feasibility of offering a substitute service for providers who need to attend trainings, personal appointments, or who have health issues.

Regional Issues

A lead smelting plant recently closed and state budget cuts resulted in health services closing in Jefferson County.

The largest issue identified by key stakeholders in Helena was that the provider reimbursement rate through the Best Beginnings Scholarship Program for children was frozen since 2000, but the cost of living increased consistently. Additionally, it has been challenging for providers to pursue the amount of training required in order to receive some of the Best Beginnings grants, especially

when it is linked to college credit such as when pursuing accreditation or a Child Development Associate (CDA) credential. Providers report that they do not have enough time or money to participate in programs such as Merit Pay, Star Quality rating, or Apprenticeship. Staff that do not want to take college courses have limited ability to participate in quality initiatives. They also often do not have substitutes who can relieve them to attend training.

Most child care providers do not receive health insurance benefits through their employers and they cannot afford it for themselves given their low income levels. The area is additionally lacking quality providers who care for children during odd hours. This results in “patchwork” care, when children have to be transported to multiple providers. Additionally, when parents with children on the Best Beginnings Scholarship Program lose their jobs, providers report not knowing that the family is no longer eligible for program benefits until after they owe the provider money. It is then often very difficult for providers to collect what is owed.

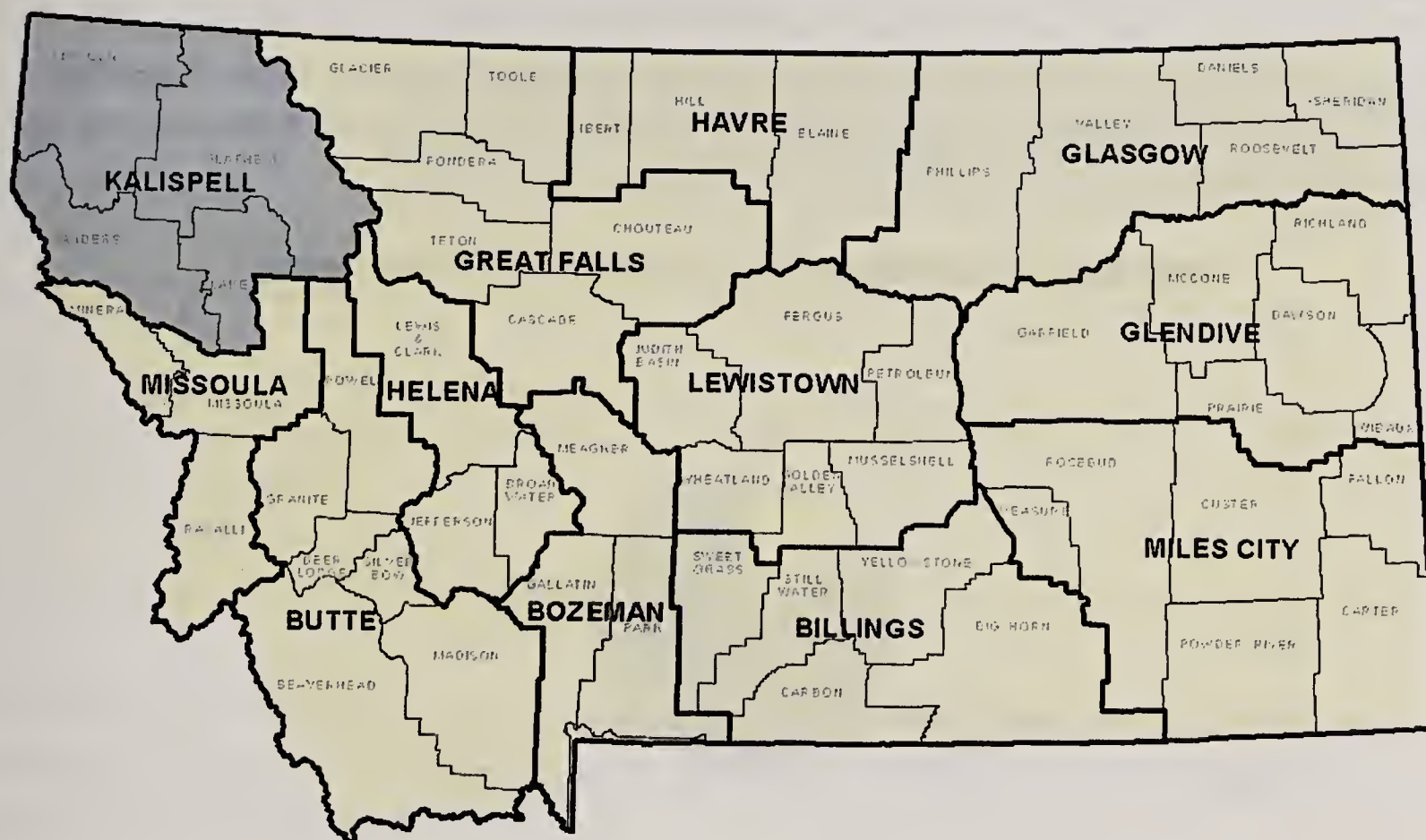
Quality Initiatives

In FY 2002, the Helena region received \$110,802 in quality improvement grants funded through DPHHS, 7% of grant funding dispersed that year. In 2003, the region received \$141,125, an increase of 27% in grant funding for regional quality initiatives funded through Best Beginnings (5% of funding dispersed that year).

The region went from having 35 providers at a Level 3 or above in 2002 to having 24 in 2003, representing a 31% decrease. During that same time, the amount of Merit Pay received by providers in the Helena region decreased 2% from \$9,000 to \$8,800. This region did not receive any funding for Infant Toddler Demonstration Project grants in either 2002 or 2003. The Helena region also experienced an 8% decrease in funding of its Mentoring program, and, this region saw a 14% decrease in their Specialized Training Grant which went from receiving \$15,000 in 2002 to receiving \$12,857 in 2003. No Provider Grants were funded in either 2002 or 2003. Mini Grant awards to providers in the Helena region was the only quality initiative that saw an increase; funding almost tripled between 2002 and 2003. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Helena CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	13%	\$16,060	11%	\$14,775
Merit Pay	7%	\$9,000	8%	\$8,800
Mini-Grants	10%	\$6,762	19%	\$18,745
Provider Grants	12%	\$40,000	0%	-
Specialized Training Grant	6%	\$15,000	11%	\$12,857
Total	7%	\$86,822	5%	\$55,177

Kalispell



Total Population in 2000: **130,042**

Population Under 5 in 2000: **7,593**

Percentage Living Below Poverty: **12.73%**

Average Cost of Infant Care Regionally: **\$382**

Square Miles: **13374.08**

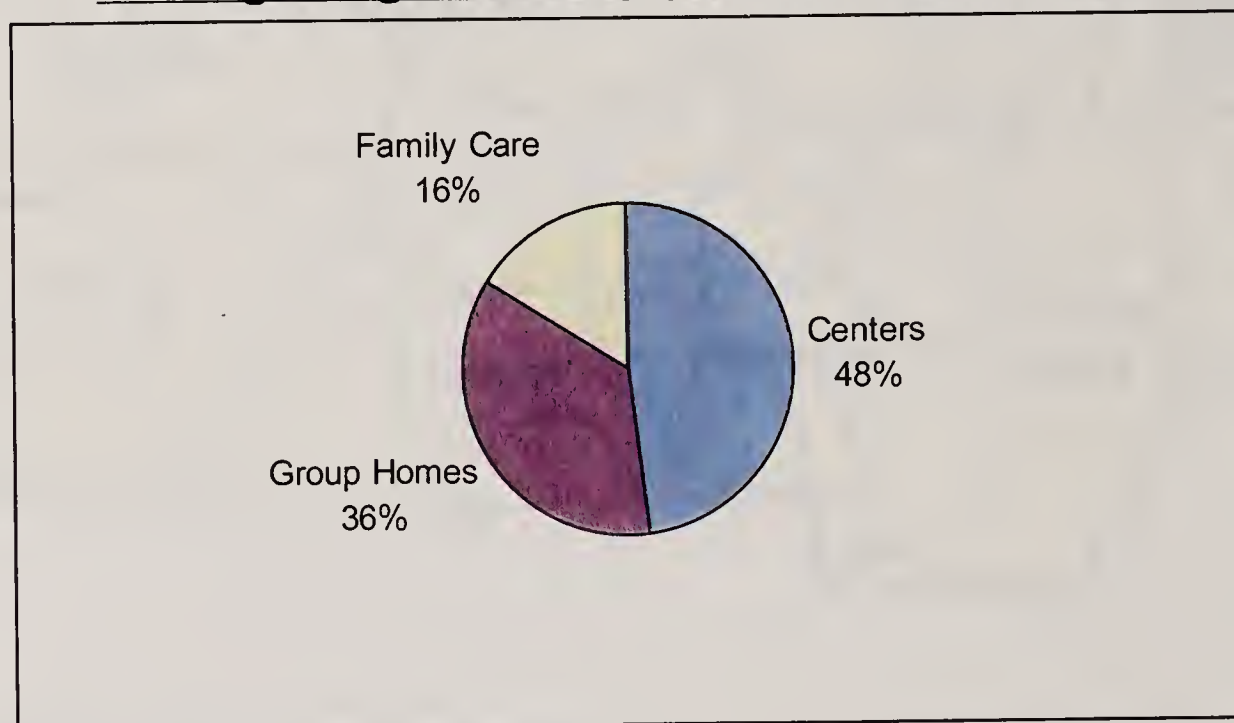
Average Median Income Regionally: **\$29.203**

The Kalispell region of the state child care resource and referral (CCR&R) network is comprised of four counties in northwest Montana: Flathead, Lake, Lincoln and Sanders. Flathead County houses 57% of the region's population and has a population density of 14.6 people per square mile. Lake County has the next highest population. However, Lake County's population density is actually higher at 17.7 people per square mile. Lincoln County has 5.2 people per square mile, while the population density of Sanders County is 3.7 people per square mile. Overall, this region's population grew by an estimated 2.4% between 2000 and 2002 according to the U.S. Census. Lincoln County however experienced a slight decrease in population between those same years.

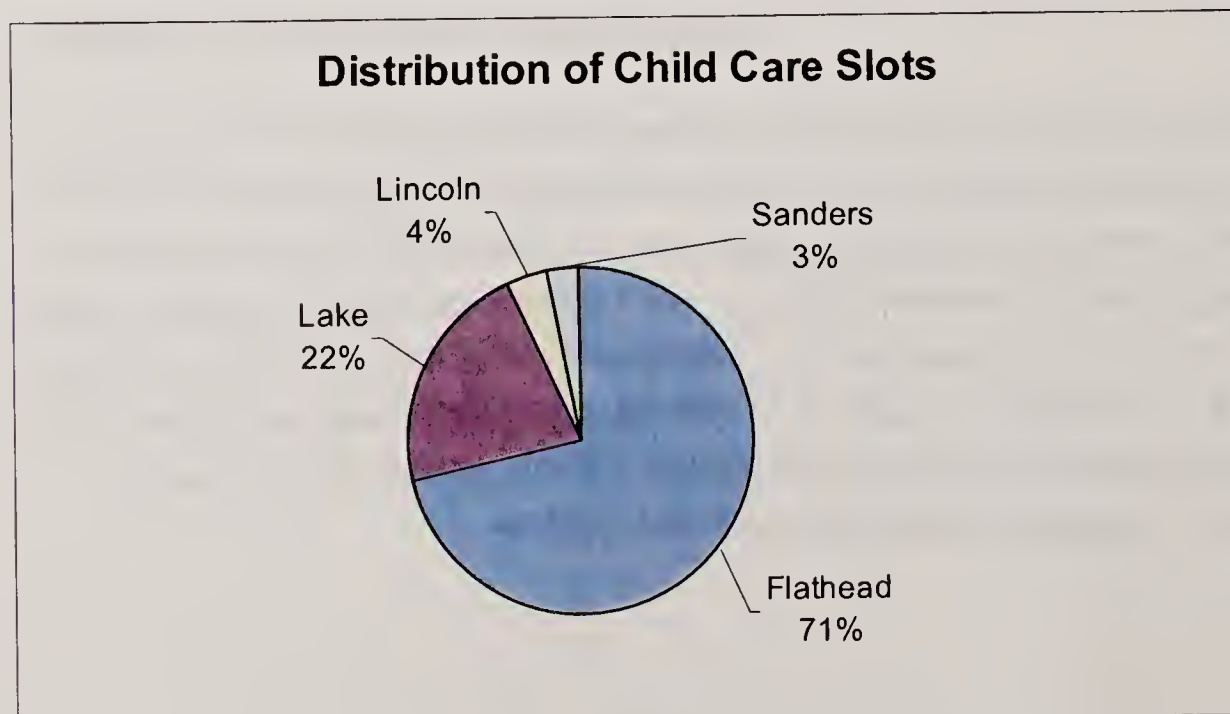
Regulated Child Care Capacity

Regulated child care is available in every county in the Kalispell region, and two of those counties, Flathead and Lake have center-based care. As of January 2004, 19 child care centers, 31 group homes, and 67 family child care homes provided a total of 2,108 regulated child care slots throughout the Kalispell region. The majority of regulated child care slots in the region are provided by child care centers. There are 15 child care centers in Flathead County, and three in Lake. Between FY 2002 and FY 2003, Kalispell saw a decrease of almost 8% in the number of regulated child care facilities. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Kalispell Region



With an estimated 5,467 children under the age of five in need of care in the Kalispell region, the 2,097 regulated child care slots are available for almost 38% of those children. Of those regulated



slots, 71% are in Flathead County; 22% are in Lake County; and the remaining 7% are split between Lincoln and Sanders. The pie chart to the left illustrates the percentage of slots across the four counties in the Kalispell region.

Perhaps a more meaningful way to look at the availability of care may be by population of children under 5 in need of care in each county compared to the number of available regulated child care slots. The table below indicates that the supply of regulated child care in Flathead County is enough to fill 48% of the county's need for care. The supply in Lake County is enough to fill 35% of the need for care; and the supply of regulated child care in Lincoln and Sanders is enough to fill 12% and 16% of the need for regulated child care slots respectively.

	Flathead County	Lake County	Lincoln County	Sanders County
Estimated number of children needing care	3,164	1,279	678	346
Percentage of need filled by regulated slots	48%	35%	12%	16%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Kalispell region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Flathead County		Lake County		Lincoln County		Sanders County	
Type of Care	facilities	slots	facilities	slots	facilities	slots	facilities	slots
Centers	15	793	3	213	-	-	-	-
Group Homes	44	515	21	168	3	36	5	36
Family Care	34	204	12	72	7	42	3	18
Totals	93	1,512	36	543	10	78	8	54

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The number of Star rated facilities in the Kalispell region doubled from three in 2002 to six in 2003. Currently, the region has five 2-Star regulated facilities, and one 1-Star facility. One center and four group homes comprise the 2-Star facilities, and there is one 1-Star child care center. Overall, 4% of regulated providers in this region were Star rated as of March 2004.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Kalispell region accounted for 11% of all children served by the Best Beginnings Scholarship program statewide. A total of 1,126 children were served by the program in the Kalispell region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Flathead County	662	\$955,994	58.8%
Lake County	242	\$345,436	21.5%
Lincoln County	153	\$167,436	13.6%
Sanders County	69	\$62,399	6.1%
Totals Kalispell Region	1,126	\$1,531,265	100%

Cost of Care

The Kalispell CCR&R region has the fifth highest cost of care for children two and older and the sixth lowest cost of care for children under two years in the state. Even so, the cost of purchasing care for two children can consume more than one-third to 93% of a family's total household income. The region also has the fifth highest number of families living at or below the poverty level in the state. Based on the 2003 median household income (\$29,203), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,984 or 34% of their total household income on child care. A single parent making minimum wage (\$10,712 per year) would need to spend 93% of the total household income on child care expenses for those same two children.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Kalispell region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Kalispell Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$433	\$401	\$390	\$303
Age 2 and up	\$399	\$386	\$377	\$282

*Legally Unregistered Provider

Regional Assets

The Kalispell region has some of the prettiest real estate in Montana. It is at the edge of Glacier National Park.

The Early Head Start (EHS) agency has a *Safe Kids, Safe Communities* grant for safety restraints in vehicles. They also have two resource centers for parents of children 0-3. Developmentally appropriate toys, games, and information are available to families free of charge. A full time child care center partners with the local EHS provide wrap around care for EHS children. The reservation has a good screening process (progressive model).

The Early Head Start and Head Start programs in the region really help families get information, and they are able to link with resources. Tribal Head Start is also a real asset; they provide wrap around child care services and serve over 200 children, but they still have a waiting list. Other state

programs, such as WIC and public health reportedly go out of their way to get families the information they need to assist their children in growing and developing.

There is a local chapter of the NAEYC, the Flathead Chapter in the Kalispell region. They have received some Best Beginnings funding for the training program “Essential Connections” whose goal is to provide professional development and improve quality of child care. This is to support providers’ need for 8 hours of training. Members do not have to pay, and it only costs \$5 for those who are not members.

The Nurturing Center (the regional CCR&R agency) was identified as a real asset as well. Head Start collaborates with them to provide training, and they support providers who want to increase their professionalism. Flathead Community College is supporting the need for degrees among Head Start employees. It was additionally reported that when people live in a small community, they realize no one else is there to help them, so all agencies collaborate, leaving no room for turf issues. They just try to make the best happen for the region’s children. A waiting list now exists for the Starting Out Successfully training program for providers in this region. Stakeholders report that this program has impacted the quality of care being provided.

Western Montana University in Dillon also offers undergraduate degree programs in Early Care and Education online. Because the Early Care and Education programs observe providers as part of their education, this cumulative observation based around CDA can be used during the process so that providers can see improvements in their competencies. Additionally, if students want to get their Elementary Education degree they can get a special endorsement called a “Permissive Special Competency in Early Childhood.”

A local college applied for and was awarded a USDA grant allowing them to expand the campus child care center and provide stipends to parenting students. This helped local parents when the Best Beginnings Scholarship waiting list was implemented last year because parents who are students can not afford the full price of care. The program also allows parents to work off child care costs by volunteering for the program.

The public school system in Kalispell has also come to understand the importance of Early Care and Education, and is partnering with Head Start. For example, the district was going to be the fiscal agent for an Early Reading First grant which the two agencies collaborated to apply for, but did not get funded.

On the reservation in this region (as it is on most), the elders are the only tribal members left who know the language very well. The tribes here have started a language immersion program for preschoolers in Arlee (on the south end of the reservation). This collaboration is unique because the two tribes, Salish and Kootenai, have distinct cultural differences. Add to that the third tribe sharing the reservation, the Ponderosi, and you have the potential for clashes. However, these three tribes collaborate very well.

Tribal representatives are working to build on the strengths of tribal cultures and languages. This reservation is losing languages perhaps more quickly than others are. They have two languages they are trying to promote. When school systems do not value the native culture and language, children living on the reservation are lost.

Regional Issues

This region has seen increased growth, except for in the city of Libby whose population has decreased due to closing of mills and asbestos-related health issues. Resistance to government and regulation is prevalent, and people live in both great wealth and tremendous poverty.

Stakeholders also report a shortage of infant care in Kalispell. The college center only serves children age 2 and older. That program is licensed and will begin pursuing accreditation this fall. A new center called *Baby Start* is the only licensed center that takes infants, and they have a total of four slots. They also only take infants enrolled in the Best Beginnings Scholarship Program, so infant care is extremely limited.

Quality child care on and off the reservation, and the ability to afford it, are the other large issues in the Kalispell region. People were placed on the waiting list for eligibility, and with the new TANF guidelines, families have to put in their work hours, but they have to be on the subsidy program to afford child care. Because of this, many families have had to find family or friends watch their children. There is reportedly a lot of unregulated care being provided in this region. Geographically, this region is so spread out it's difficult to find care that's near work, home or school.

The funding cuts to the Best Beginnings Scholarship Program resulted in families who needed the most assistance falling through the cracks. There are some good programs helping families, but they are few and far between. Families need help with child care, parenting, and coordination of services to make sure that families and specifically children are getting the services they need.

Head Start does some full day, full year services in order to accommodate the needs of working parents. The difference between how the state determines income eligibility and how Head Start determines it presents an issue. This wreaks havoc with stability in care because families lose their subsidy eligibility while they are still eligible for Head Start, and Head Start's full day, full year program cannot support the entire cost of subsidizing care.

There are also not many programs available for children with disabilities. A number of families have additionally reported requesting services and not getting a response from the local Comprehensive Development Center.

Another issue is limited access to education and training for providers. However, an Early Care and Education degree

Legislators need to know that if we don't take care of the education or care of these children that they will not be able to succeed and run government as they are now. –
Kalispell Key Stakeholder

program has now been started at the Salish Kootenai College. This year three full time providers will be graduating from that program.

The reservation was opened up to Homesteading early this century, and so the tribal population is actually the minority which results in widespread racism. This racism enters into parenting, child care, access to services, as well as schools.

Many American-Indians who are now parents were raised in Boarding Schools. Because of this, many did not learn parenting skills. They were allowed no culture; they were beaten, and they were not allowed to speak their language. Another tragedy on the reservation is that four teen deaths related to alcohol have occurred in the last 6 months. Another reported issue on the reservations was that child care workers are not as informed or culturally sensitive as they need to be. Providers are working hard, but many are not addressing American-Indian cultural as indicated by holiday celebrations and the languages spoken.

Quality Initiatives

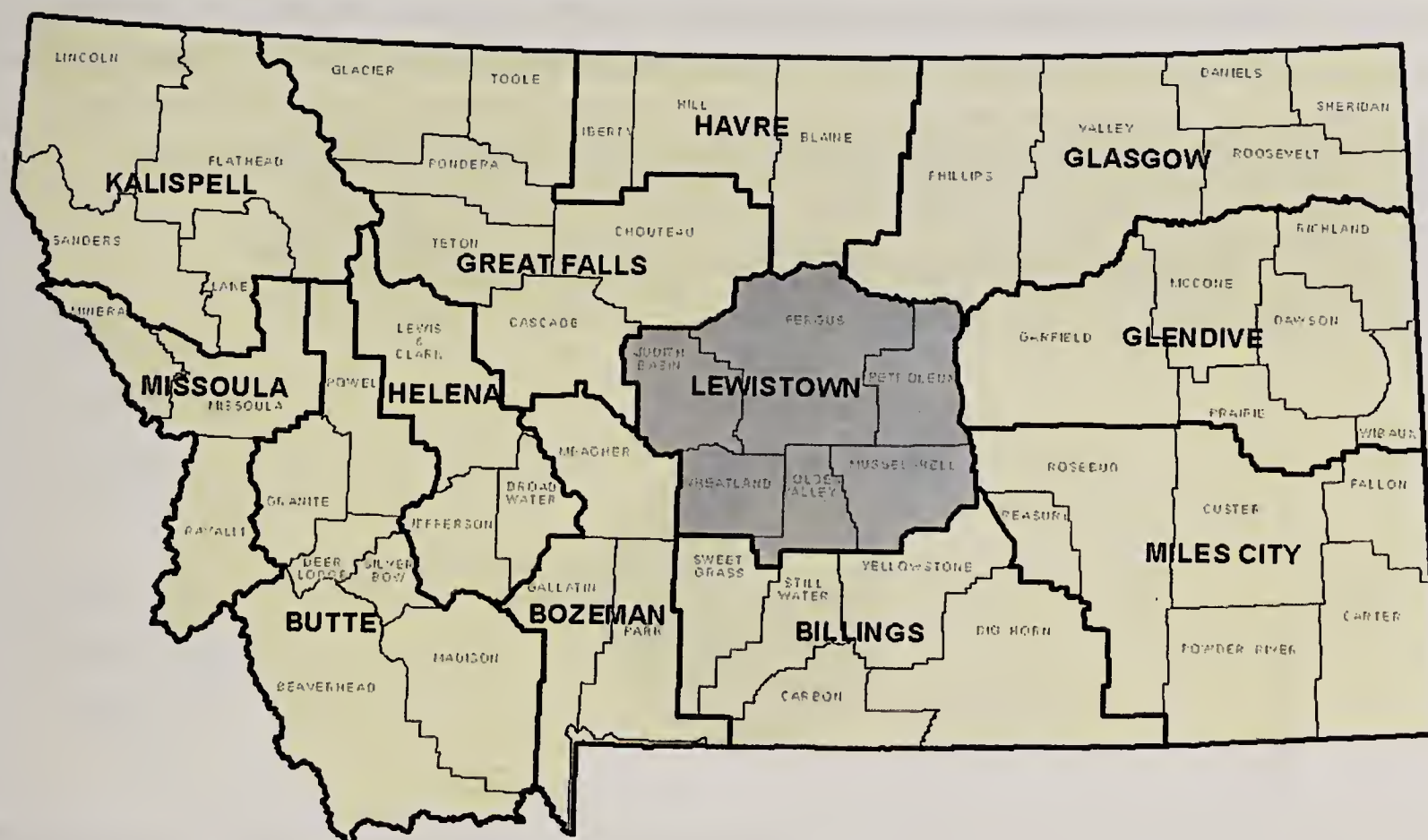
An Early Childhood Higher Education project at the Flathead Community College is funded by Best Beginnings, and there is a tribal college with an ECE program in Pablo.

In FY 2002, the Kalispell region received \$115,061 in quality improvement grants funded through DPHHS, 9% of funds dispersed that year. In 2003, the region received \$72,583, a decrease of 37% in grant funding for regional quality initiatives funded through Best Beginnings (6% of grant funds dispersed).

The region went from having 22 providers at a Level 3 or above in 2002 to having 18 in 2003, representing an 18% decrease. During that same time, the amount of Merit Pay received by providers in the Kalispell region decreased dramatically from \$15,400 to \$2,800, an 82% decrease. This region did not receive any funding for Infant Toddler Demonstration Project grants in either 2002 or 2003. The Kalispell region also experienced an 8% decrease in the funding of its Mentoring program, and lost its Specialized Training Grant which was funded at \$15,000 in 2002 and was discontinued in 2003. Provider Grants decreased by 41% between 2002 and 2003 as well. Mini Grant awards to providers in the Kalispell region was the only quality initiative that saw an increase, and that funding increased almost six-fold between 2002 and 2003. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Kalispell CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	19%	\$23,474	16%	\$21,616
Merit Pay	12%	\$15,400	5%	\$2,800
Mini-Grants	3%	\$1,914	13%	\$13,167
Provider Grants	18%	\$59,273	10%	\$35,000
Specialized Training Grant	6%	\$15,000	0%	-
Total	9%	\$115,061	6%	\$72,583

Lewistown



Total Population in 2000: **22,513**

Population Under 5 in 2000: **1,184**

Percentage Living Below Poverty: **14.75%**

Average Cost of Infant Care Regionally: **\$382**

Square Miles: **12,370**

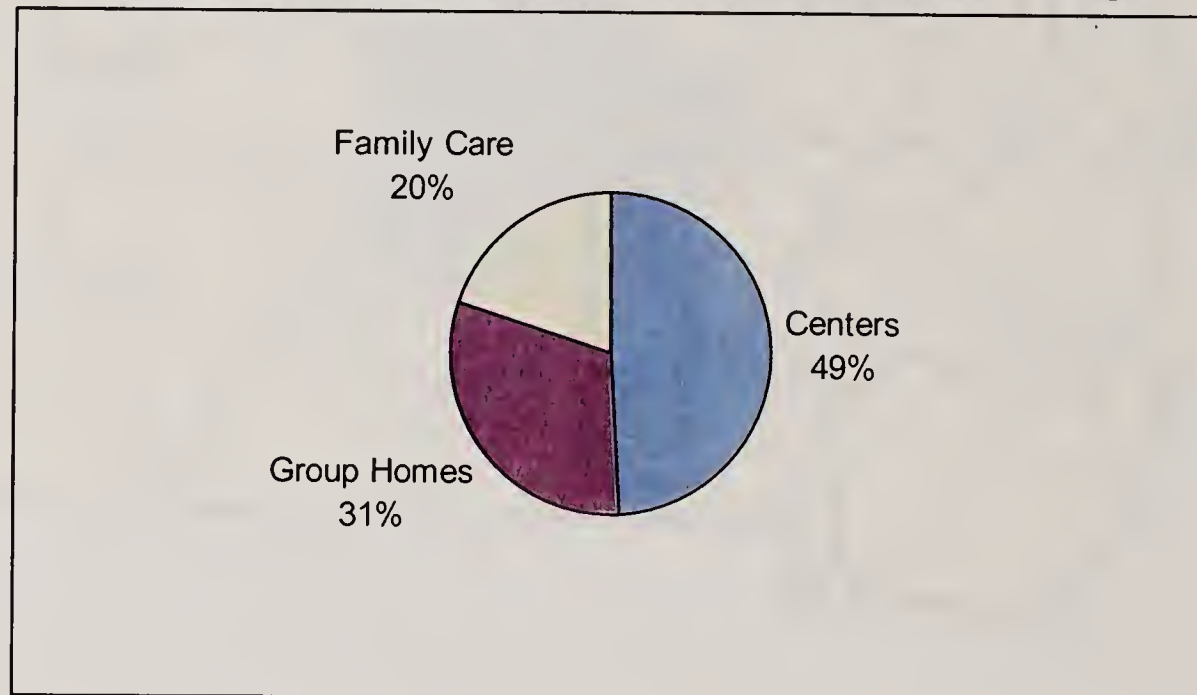
Average Median Income Regionally: **\$26,847**

The Lewistown region of the child care resource and referral (CCR&R) network in Montana is comprised of six counties in central Montana: Fergus, Golden Valley, Judith Basin, Musselshell, Petroleum and Wheatland. Fergus County houses 53% of the region's population and has the highest level of population density as well, 2.7 people per square mile, reflecting the extremely rural nature of this region. Musselshell County has the next highest population and has a population density of 2.4 people per square mile. Wheatland County has 1.6 people per square mile, while the population density of Judith Basin County is 1.2 people per square mile. Two counties, Golden Valley and Petroleum each have population densities that fall under 1 person per square mile (0.9 and 0.3). Overall, this region's population decreased approximately 2% between 2000 and 2002 according to the U.S. Census. However, Petroleum and Golden Valley counties both experienced a slight increase (1.4% and 2%) in population between those same years.

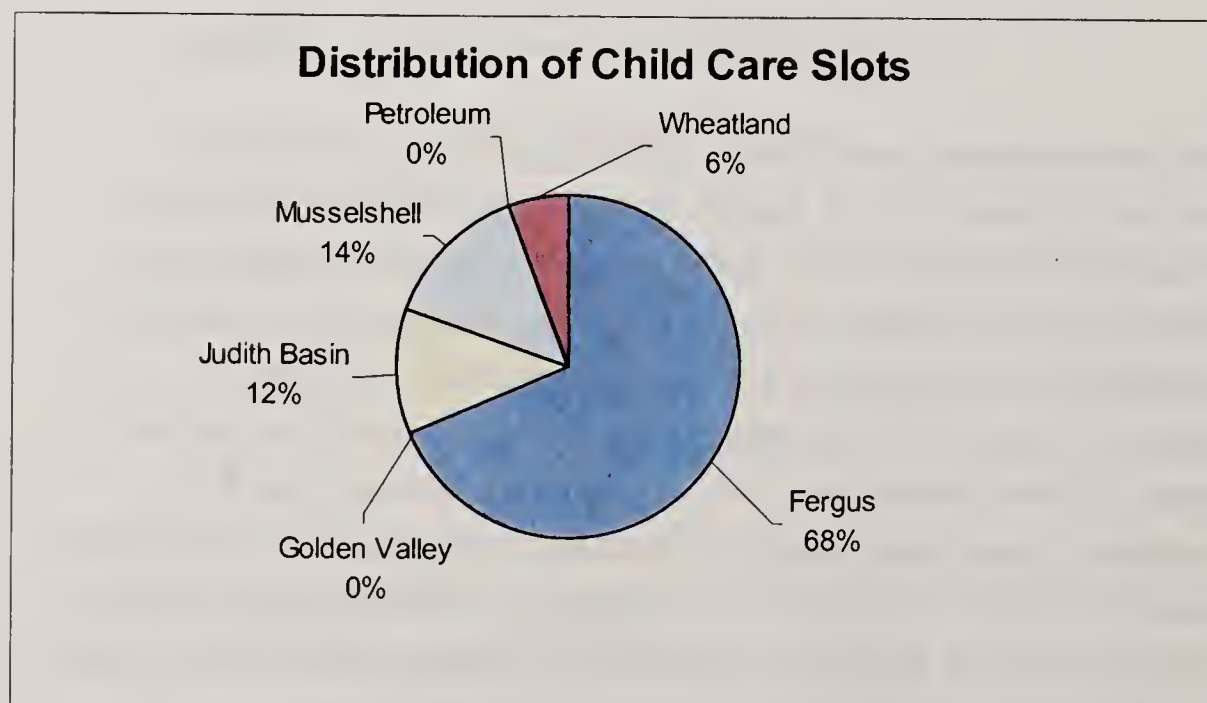
Regulated Child Care Capacity

Regulated child care is available in four of the six counties comprising the Lewistown region, and only one county, Fergus has center-based care available. As of January 2004, 2 child care centers, 9 group homes, and 10 family child care homes provided a total of 306 regulated child care slots throughout the region. Fifty-one percent of regulated child care slots in the region are provided by family and group home providers. There are 2 child care centers in Fergus County. The Lewistown region suffered the greatest loss of regulated child care of all the regions in Montana between FY 2002 and FY 2003, during which 47% of its regulated child care facilities were lost. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Lewistown Region



With an estimated 852 children under the age of five in need of care in the Lewistown region, the 306 regulated child care slots are available for almost 36% of those children. Of those regulated



slots, 68% are in Fergus County; 14% are in Musselshell County; 12% are in Judith Basin, and the remaining 6% are in Wheatland County. The pie chart to the left illustrates the percentage of slots across the six counties in the Lewistown region.

Perhaps a more

meaningful way to look at the availability of care may be by population of children under 5 in need of care in each county compared to the number of available regulated child care slots. The table below indicates that the supply of regulated child care in Fergus County is enough to fill 47% of the county's need for care. The supply in Judith Basin County is enough to fill 41% of the need for care; and the supply of regulated child care in Musselshell and Wheatland counties is enough to fill 27% and 18% of the need for regulated child care slots respectively. Neither Golden Valley nor Petroleum County have any regulated capacity to serve the need for care.

	Fergus County	Golden Valley County	Judith Basin County	Mussel- shell County	Petroleum County	Wheatland County
Estimated number of children needing care	445	39	87	158	25	98
Percentage of need filled by regulated slots	47%	0%	41%	27%	0%	18%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Lewistown region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Fergus County		Golden Valley County		Judith Basin County		Musselshell County		Petroleum County		Wheatland County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	2	150	-	-	-	-	-	-	-	-	-	-
Group Homes	2	24	-	-	4	36	2	24	-	-	1	12
Family Care	6	36	-	-	-	-	3	18	-	-	1	6
Totals	10	210	0	0	4	36	5	42	0	0	2	18

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

There are no Star rated child care facilities in the Lewistown region.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Lewistown region accounted for 2% of all children served by the Best Beginnings Scholarship program statewide. A total of 223 children were served by the program in the Lewistown region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships In the Region
Fergus County	141	\$224,670	63.2%
Golden Valley County	1	\$248	0.5%
Judith Basin County	15	\$24,792	6.7%
Musselshell County	40	\$41,060	17.9
Petroleum County	1	\$321	0.5%
Wheatland County	25	\$39,319	11.2%
Totals Lewistown Region	223	\$330,410	100%

Cost of Care

Lewistown has the sixth highest cost of care for children under the age of two and the sixth lowest cost of care for children two and older in the state. Even so, the cost of purchasing care for two children can consume 37% to 92% of a family’s total household income. Lewistown also has the third highest percentage of families living at or below the poverty level out of the 12 CCR&R regions. Based on the 2003 median household income (\$26,847), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,828 or 37% of their total household income on child care. Child care for those same two children would cost a single parent making minimum wage (\$10,712 per year) 92% of the total household income.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Lewistown region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month In Lewistown Region (75 th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$433	\$390	\$401	\$303
Age 2 and up	\$386	\$368	\$386	\$282

*Legally Unregistered Provider

Regional Assets

Stakeholders in the Lewistown CCR&R region reported great leadership is provided in the ECE profession statewide in Montana, not from politicians, but from professionals in the field. Networking has improved greatly and continues to evolve. The CCR&R agency in Lewistown, District VI HRDC Child Care Link, provides training and a newsletter that key stakeholders report is valuable to them. Generally the CCR&R responds to calls, but stakeholders reported that staff are often unreachable. The local Boys and Girls Club was identified as an additional asset in the region.

Regional Issues

Citizens in the Lewistown CCR&R region are reportedly conservative, anti-government, and independent. Because it is a large geographic area with many counties, regulating agencies is a challenge. In recent years the family population has decreased, but the retired population is increasing. There is no industry in the Lewistown region, just ranching and one hospital. Additionally, the area is “low tech”. This is the only CCR&R region that’s not “wired” for internet

services. The Lewistown region also has the least number of providers in the state, and stakeholders reported a real lack of available quality care.

Key stakeholders additionally expressed deep dissatisfaction with the services provided by the regional CCR&R, District VI HRDC Child Care Link. Providers desire increased CCR&R involvement and representation in the local AEYC. Many providers report difficulty in reaching Child Care Link, and stated that their calls are often not returned. Some stakeholders speculated that the cause of this unresponsiveness may be a loss of enthusiasm, or an individual's lack of attentiveness. It was reported that the program had experienced recent turnover. The very limited staff at this small, rural CCR&R agency are also called upon to represent the state in a couple of time-consuming state level projects which may impact their availability. Additionally, the agency's only child care referral staff member was out on maternity leave last year.

Quality Initiatives

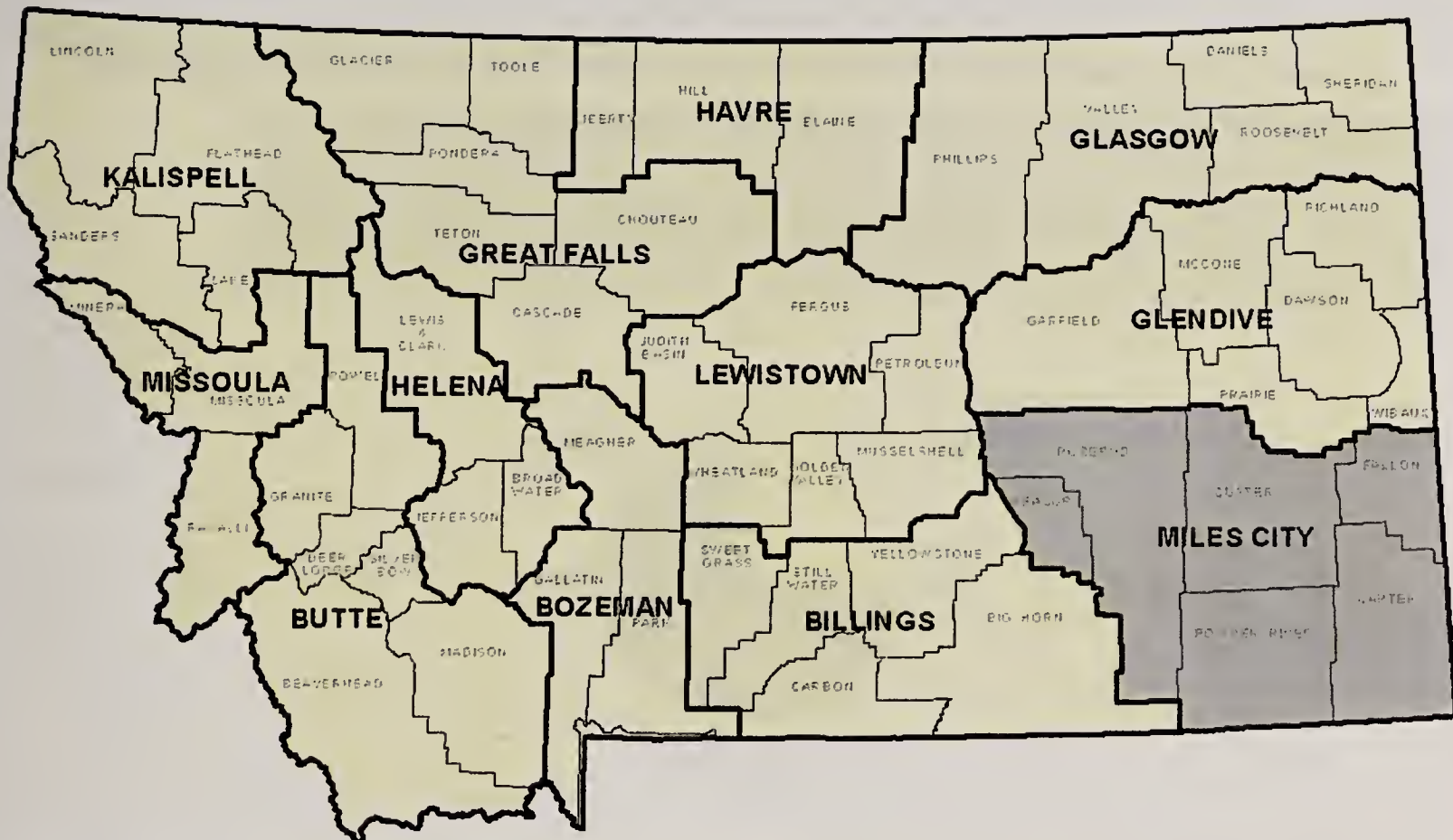
The ECE program through Dawson Community College is available in this region through an instructor who provides classroom training/coursework. The training is a cooperative effort with the local District VI HRDC because they provide the classroom space free of charge in their building. The classes were first offered in January 2004.

In FY 2002, the Lewistown region received \$65,062 in quality improvement grants funded through DPHHS, 5% of grant funding dispersed. In 2003, the region received \$64,560, a slight decrease of less than 1% (0.8%) in grant funding for regional quality initiatives funded through Best Beginnings (6% of 2002 funds dispersed).

The region experienced a slight decrease in the number of providers at a Level 3 by going from having 17 providers at a Level 3 or above in 2002 to having 16 in 2003, representing an 6% decrease. During that same time, the amount of Merit Pay received by providers in the Lewistown region decreased by 21% as well from \$3,800 to \$3,000. This region lost its Specialized Training Grant which was funded at \$15,000 in 2002 and was discontinued in 2003. Lewistown did not apply for a Mentoring Grant in either 2002 or 2003. This region however saw increased funding in several grants funded through Best Beginnings. Those included Infant Toddler Demonstration Project grants, Mini Grants, and Provider Grants. Infant Toddler Demonstration Project grants increased 21% from \$35,269 in 2002 to \$42,680 in 2003. Mini Grant awards to providers increased by 31% from \$993 in 2002 to \$1,300 in 2003, and Provider Grants increased by a dramatic 76% between 2002 and 2003, going from \$10,000 to \$17,580. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Lewistown CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	11%	\$35,269	13%	\$42,680
Mentoring Grant	0%	-	0%	-
Merit Pay	3%	\$3,800	2%	\$3,000
Mini-Grants	2%	\$993	1%	\$1,300
Provider Grants	3%	\$10,000	5%	\$17,580
Specialized Training Grant	6%	\$15,000	0%	-
Total	5%	\$65,062	6%	\$64,560

Miles City



Total Population in 2000: **27,995**

Population Under 5 in 2000: **1,761**

Percentage Living Below Poverty: **11.95%**

Average Cost of Infant Care Regionally: **\$360**

Square Miles: **18071.94**

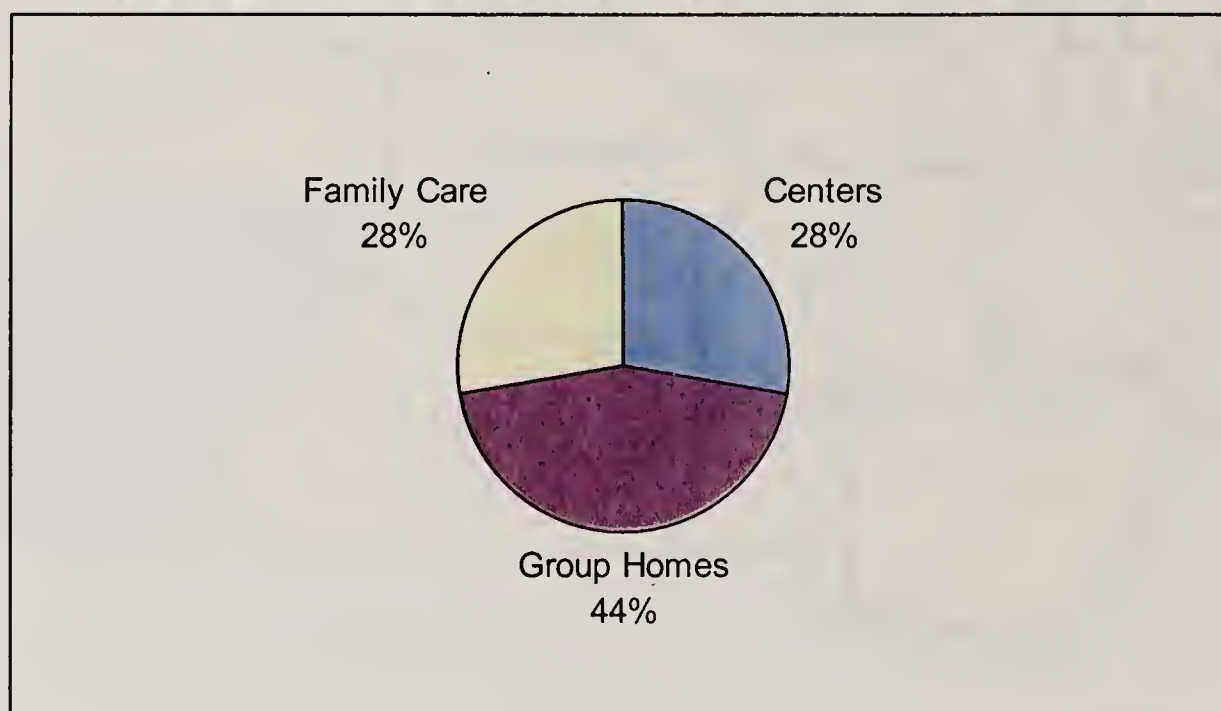
Average Median Income Regionally: **\$30,064**

The Miles City region of the state child care resource and referral (CCR&R) network is comprised of six counties in southeast Montana: Carter, Custer, Fallon, Powder River, Rosebud and Treasure. Custer and Rosebud counties together house 75% of the region's population with 11,696 and 9,383 respectively. Custer County has the highest population density in the region with 3.1 people per square mile, while Rosebud has just below 2 people per square mile. Fallon County has the next highest population density with 1.8 people per square mile. The remaining counties, Carter, Powder River and Treasure each have population densities of fewer than 1 person per square mile (Carter – 0.4; Powder River – 0.6; Treasure 0.9). Between 2000 and 2002 according to the U.S. Census every county in this region lost population for a regional decrease of 2.5%, with the highest decrease of 8.8% occurring in Treasure County.

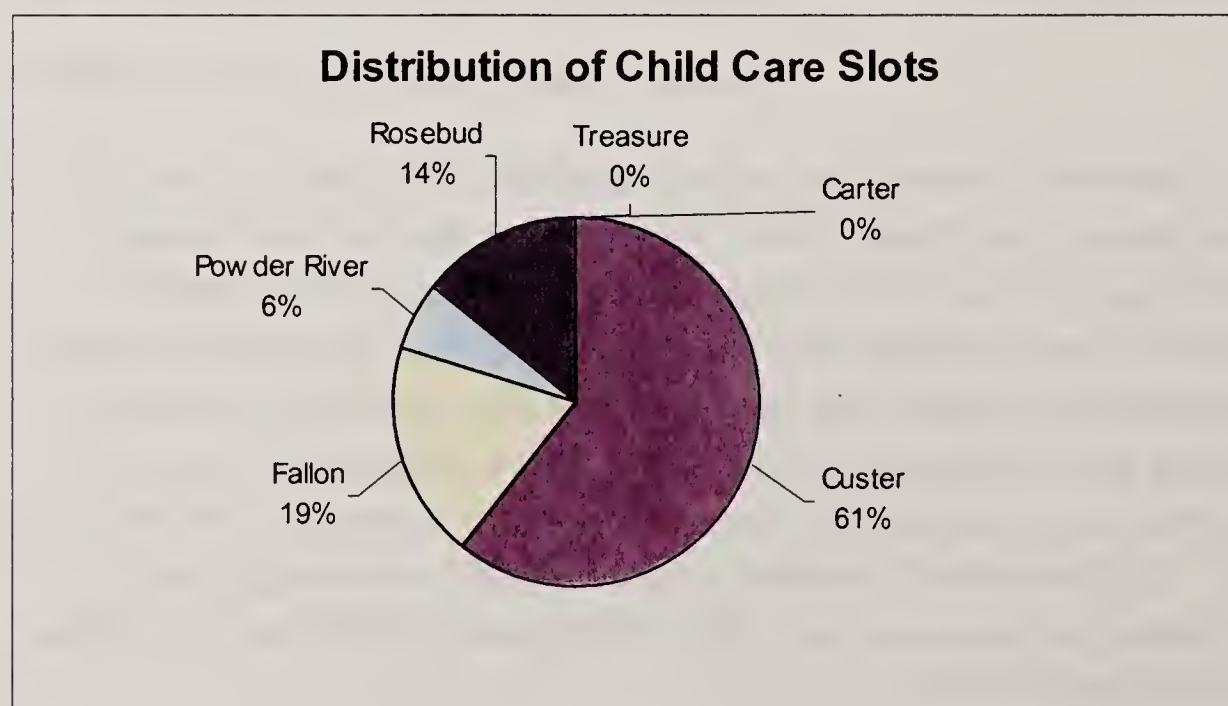
Regulated Child Care Capacity

Regulated child care is available in four of the six counties comprising the Miles City region, and three counties have center-based care available. As of January 2004, 4 child care centers, 21 group homes, and 24 family child care homes provided a total of 306 regulated child care slots throughout the region. Fifty-one percent of regulated child care slots in the region are provided by family and group home providers. There are 2 child care centers in Rosebud County, one in Custer, and one in Fallon County. The Miles City region was the only one that experienced no change in the number of regulated providers between FY 2002 and FY 2003. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Miles City Region



With an estimated 1,268 children under the age of five in need of care in the Miles City region, the 494 regulated child care slots are available for almost 39% of those children. Of those regulated



slots, 61% are in Custer County; 19% are in Fallon County; 14% are in Rosebud, and the remaining 6% are in Powder River County. The pie chart to the left illustrates the percentage of slots across the six counties in the Miles City region. Perhaps a more meaningful way

to look at the availability of care may be by population of children under 5 in need of care in each county compared to the number of available regulated child care slots. The table below indicates that the supply of regulated child care in Fallon County is enough to fill 96% of the county's need for care, the highest in the entire state. The supply in Custer County is enough to fill 60% of the need for care; and the supply of regulated child care in Powder River and Rosebud counties is enough to fill 38% and 14% of the need for regulated child care slots respectively. Neither Carter nor Treasure County has any regulated capacity to serve the need for care.

	Carter County	Custer County	Fallon County	Powder River County	Rosebud County	Treasure County
Estimated number of children needing care	39	497	100	79	520	33
Percentage of need filled by regulated slots	0%	60%	96%	38%	14%	0%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Miles City region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Carter County		Custer County		Fallon County		Powder River County		Rosebud County		Treasure County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	-	-	1	81	1	30	-	-	2	25	-	-
Group Homes	-	-	11	126	3	36	2	24	5	34	-	-
Family Care	-	-	15	90	5	30	1	6	3	12	-	-
Totals	0	0	27	297	9	96	3	30	10	71	0	0

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The Miles City region had no Star rated child care facilities in 2002, but in 2003 one group home provider became a 2-Star Quality provider. Two percent of all regulated providers in the Miles City CCR&R region were Star-rated as of March 2004.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Miles City region accounted for almost 3% of all children served by the Best Beginnings Scholarship program statewide. A total of 238 children were served by the program in the Miles City region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships in the Region
Carter County	2	\$1,716	0.8%
Custer County	170	\$184,657	71.4%
Fallon County	24	\$39,376	10.1%
Powder River County	15	\$26,216	6.3%
Rosebud County	22	\$22,672	9.2%
Treasure County	5	\$10,036	2.1%
Totals Miles City Region	238	\$284,673	100%

Cost of Care

The Miles City CCR&R region has the lowest cost of care for children two and older in the state and the third lowest cost of care for children under the age of two. Even so, the cost of purchasing care for two children can consume 30% to 85% of a family's total household income. The region also has the sixth lowest number of families living at or below the poverty level. Based on the 2003 median household income (\$30,064), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$9,096 or 30% of their total household income on child care. Child care for those same two children would cost a single parent making minimum wage (\$10,712 per year) 85% of the total household income.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Miles City region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Miles City Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$433	\$347	\$379	\$282
Age 2 and up	\$325	\$347	\$347	\$260

*Legally Unregistered Provider

Regional Assets

The Miles City region is comprised of a very large ranching community (with a great annual rodeo). It is also a railroad community. There is a very strong after school program located in Miles City proper, and that city won a "Communities that Care" Award recently because they have many collaboratives.

The number one asset mentioned frequently by key stakeholders in the Miles City region were the community partnerships both formal and informal. Social service agencies reportedly work together to refer clients, maximizing access to the services families and individuals may be eligible to receive. Because this is a small community (in size of population), service providers report the ability to assist families on a more personal level. The CCR&R agency, DEAP Child Care Resource & Referral, also provides services to the Northern Cheyenne Nation on the reservation in Rosebud County.

There are also community partnerships which demonstrate community support for children's programs, such as the model after school program in Miles City proper. There is also a playgroup for parents and their pre-kindergarten children held at the local Head Start. This is open to all community members. The Head Start facility in Miles City is also utilized by an Even Start grant, a funded program which promotes literacy in parents and their children.

Other assets mentioned by key stakeholders included the professionalism of providers. In particular, it was noted that attitudes have come a long way from thinking of Early Care and Education as "babysitting". This has been supported by access to trainings and incentives such as Merit Pay and Provider Grants which encourage providers to increase their education. One provider also mentioned that as a result of the training she's received, she has accepted more children with behavior issues; whereas before the training, she would not have felt comfortable or confident to do so.

The local CCR&R agency, DEAP, was also seen as an asset as were the services available to American-Indians living on the reservation. The Northern Cheyenne have access to health care, Head Start, college education, and they are currently working to revitalize the language and thereby the culture for the youngest generation of natives.

Regional Issues

Recently, the Miles City region experienced an insurgence of methamphetamine usage. The region also requires lots of "windshield time" for licensors due to the fact that this is the largest region geographically. The CCR&R is operated by a developmental disability program, so there is high usage of special needs subsidy program.

The top issue reported by key stakeholders in the Miles City region was the lack of available regulated care. Many reported that there is a lot of "underground" care occurring due primarily to a lack of respect for regulations. Some unregulated providers may be providing good quality care, but there is no way to measure this without their participation in the licensing system. The Miles City region has been experiencing an economic decline in the last several years due to the drought that has devastated the agricultural industry for several years. Additionally, large corporations moving into the region, such as WalMart, have resulted in many local parents working minimum wage jobs with few, if any, benefits. The declining enrollment in schools is reflective of the declining population in this region.

Another major issue in this region is the distance to travel in order to access services. This is the largest region in Montana geographically, with many miles between communities. There is also a need for regulated infant care.

People living on the reservation experience challenges when tribal CCDF funds run out and families must transfer their subsidy application to the state. There is much additional paperwork that must

be completed which causes hardships for families. The question arose regarding why the same paperwork cannot be utilized across subsidy funding sources.

Quality Initiatives

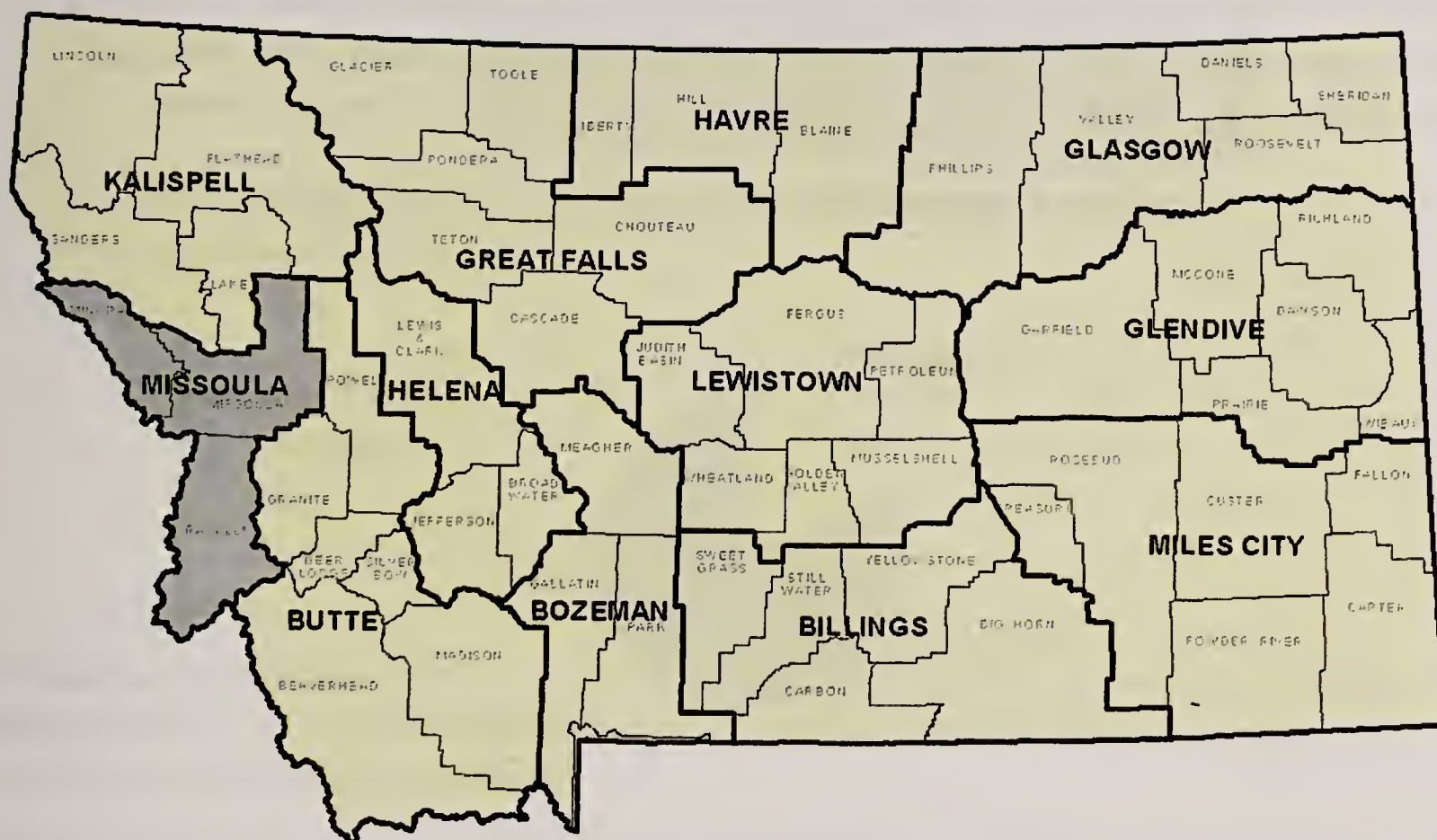
Dawson Community College teaches ECE courses through the Internet Television system in partnership with Miles Community College.

In FY 2002, the Miles City region received \$28,677 in quality improvement grants funded through DPHHS, 2% of all grants funded. In 2003, the region received \$16,200, a significant decrease of 44% in grant funding for regional quality initiatives funded through Best Beginnings (slightly more than 1% of grant funds dispersed).

The region experienced a decrease in the number of providers at a Level 3 by going from having 5 providers at a Level 3 or above in 2002 to having 4 in 2003, representing an 20% decrease. During that same time, the amount of Merit Pay received by providers in the Miles City region also decreased significantly by 83% from \$1,200 to \$200. This region also lost its Specialized Training Grant which was funded at \$15,000 in 2002 and was discontinued in 2003. No entities applied for a Mentoring Grant in the Miles City region in either 2002 or 2003. Mini Grants to providers in the Miles City region also decreased by almost 60% between 2002 and 2003. The one quality initiative funded by Best Beginnings in Miles City that saw an increase was Provider Grants which increased by 50% between 2002 and 2003, going from \$10,000 to \$15,000. The table on the following page describes the break down in quality improvement funding from Best Beginnings in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Miles City CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	0%	-	0%	-
Mentoring Grant	0%	-	0%	-
Merit Pay	1%	\$1,200	0.2%	\$200
Mini-Grants	4%	\$2,477	1%	\$1,000
Provider Grants	3%	\$10,000	4%	\$15,000
Specialized Training Grant	6%	\$15,000	0%	-
Total	2%	\$28,677	1%	\$16,200

Missoula



Total Population in 2000: **135,756**

Population Under 5 in 2000: **7,711**

Percentage Living Below Poverty: **10.4%**

Average Cost of Infant Care Regionally: **\$411**

Square Miles: **6,241.48**

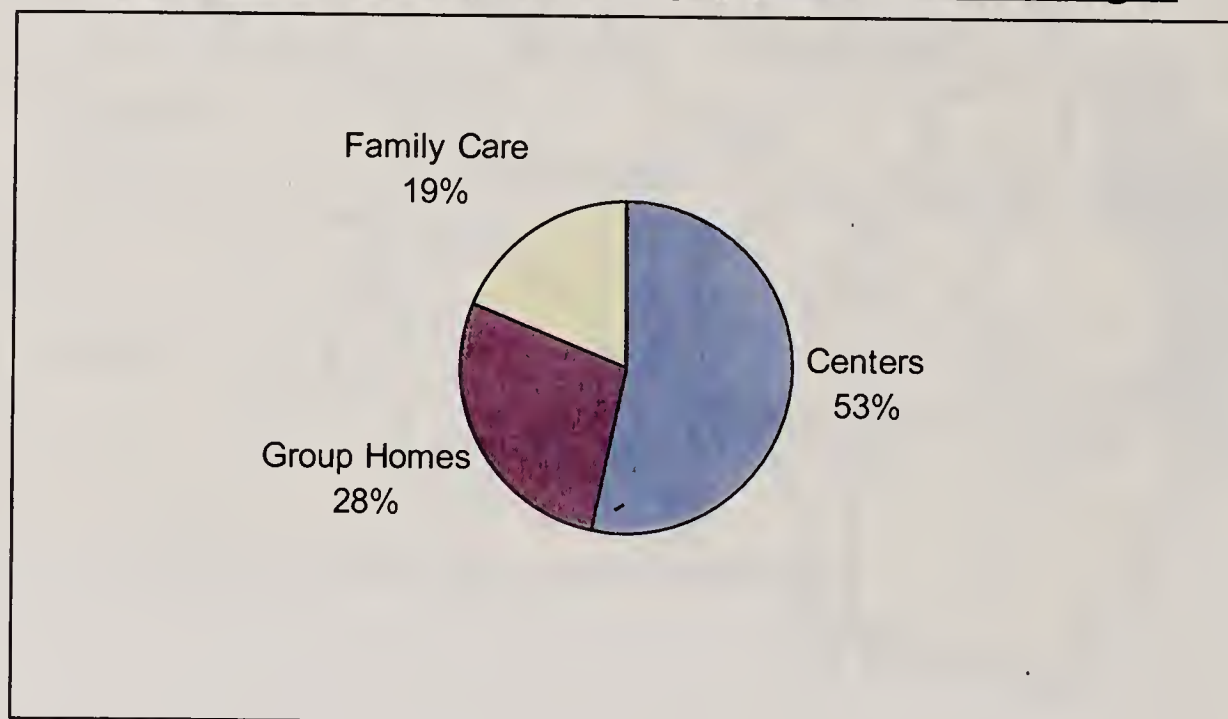
Average Median Income Regionally: **\$31,196**

The Missoula region of the state child care resource and referral (CCR&R) network in Montana is comprised of three counties: Mineral, Missoula and Ravalli. Missoula County houses 71% of the region's population, and also has the highest population density in the region with 36.9 people per square mile. Ravalli County has the next highest population density with 15.1 people per square mile. Mineral County however, has a population density of just 3.2 people per square mile. Between 2000 and 2002 according to the U.S. Census this region experienced an increase of almost 3% in population, with the highest increase of 5% occurring in Ravalli County. Mineral County was the only area that experienced a decrease in population (-2.1%).

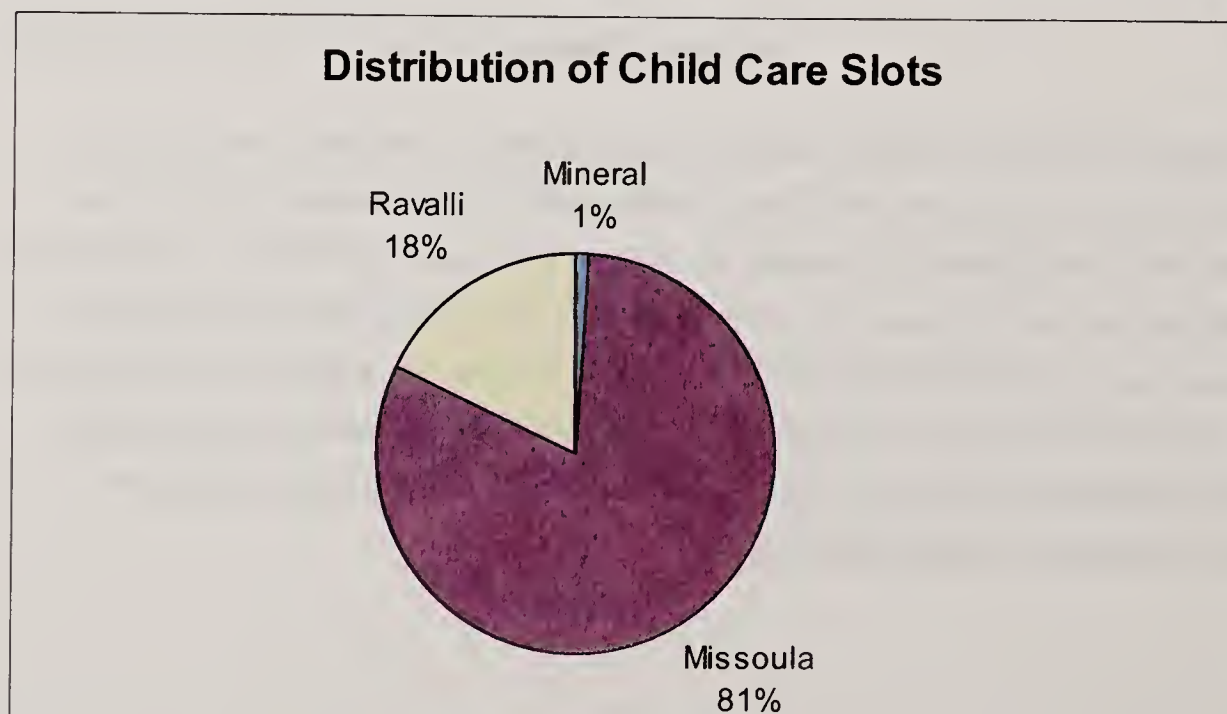
Regulated Child Care Capacity

Regulated child care is available in all counties in the Missoula region, and center-based care is available in all three. As of January 2004, 55 child care centers, 84 group homes, and 116 family child care homes provided a total of 3,495 regulated child care slots throughout the region. The majority of regulated child care slots in the region are provided by providers in child care centers. There are 47 child care centers in Missoula County, 7 in Ravalli, and one in Mineral County. The Missoula region lost 20% of its regulated providers between FY 2002 and FY 2003. The chart below illustrates the percentage of slots available in the region by type of regulated facility.

Percentage of Regulated Slots by Type of Care – Missoula Region



With an estimated 5,552 children under the age of five in need of care in the Missoula region, the 3,495 regulated child care slots are available for almost 63% of those children. Of those regulated slots, 81% are in Missoula County; 18% are in Ravalli County; and only 1% of child care slots are in



Mineral County. The pie chart to the left illustrates the percentage of slots across the four counties in the Missoula region.

Perhaps a more meaningful way to look at the availability of care may be by population of children

under 5 in need of care in each county compared to the number of available regulated child care slots. The table below indicates that the supply of regulated child care in Missoula County is enough to fill 72% of the county's need for care. The supply in Ravalli County is enough to fill 42% of the need for care; and the supply of regulated child care in Mineral County is enough to fill just 23% the need for regulated child care slots.

	Mineral County	Missoula County	Ravalli County
Estimated number of children needing care	140	3,932	1,480
Percentage of need filled by regulated slots	23%	72%	42%

The table below identifies both the number of facilities and child care slots available in regulated settings for each county in the Missoula region as of January 2004. Facilities and slots are also broken down by type of regulated care.

	Mineral County		Missoula County		Ravalli County	
Type of Care	Facilities	Slots	Facilities	Slots	Facilities	Slots
Centers	1	20	47	1,603	7	222
Group Homes	-	-	60	710	24	264
Family Care	3	12	89	526	24	138
Totals	4	32	196	2,839	55	624

Number of Star Rated Facilities

Montana ties its child care subsidy reimbursement rates through the Best Beginnings Scholarship program to the quality of regulated care provided using the Star Quality Rating System. Specific criteria related to licensure, staff turnover, parent involvement, professional development, program components including curriculum, and organizational infrastructure must be in place to receive a 1-

Star rating. A 2-Star rating requires that additional criteria are met, one of which is national accreditation.

The Missoula region had 11 Star rated child care facilities in 2002 and 22 in 2003, demonstrating a growth rate of 100%. In FY 2003, there were 13 2-Star providers, five centers, five group homes, and three family care homes. There were additionally nine 1-Star providers, five centers, two group homes, and two family care homes. This region has the largest quantity of Star-rated providers of all the CCR&R regions. Almost 12% of all regulated facilities in the Missoula region are Star-rated facilities.

Children Receiving Best Beginnings Scholarships

During FY 2003, DPHHS reported that the Missoula region accounted for 19% of all children served by the Best Beginnings Scholarship program statewide, representing the largest percentage among all regions in the state. A total of 2,006 children were served by the program in the Helena region during that fiscal year. The table below describes the number of children receiving scholarships and the dollars spent through the Best Beginnings program in each county within the region.

County	Number of Children Receiving BB Scholarships	Dollars Spent	Percentage of Children Receiving BB Scholarships In the Region
Mineral County	67	\$89,530	3.3%
Missoula County	1,545	\$2,806,024	77.0%
Ravalli County	394	\$669,284	19.6%
Totals Missoula Region	2,006	\$3,564,838	100%

Cost of Care

The Missoula CCR&R region has the second highest cost of care for children two and older in the state and the third highest cost of care for children under the age of two. Even so, the cost of purchasing care for two children can consume 36% to 106% of a family's total household income. Missoula also has the third lowest percentage of families living at or below the poverty level. Based on the 2003 median household income (\$31,196), a family with two children in a licensed child care center, one infant and one child two years or older, would pay \$11,304 or 36% of their total

household income on child care. Child care for those same two children would cost a single parent making minimum wage (\$10,712 per year) almost 6% more than the total household income.

The state is mandated by the Child Care and Development Fund (CCDF) to conduct a market rate survey of all regulated facilities every two years. The federal government used to require that reimbursement rates be set at the 75th percentile of the average market rate. However, in recent years, CCDF has made that a recommendation as opposed to a requirement. The 2002 Market Rate Survey conducted by DPHHS discerned the 75th Percentile for the cost of child care in the Missoula region. Rates are listed in the table below according to the type of care provided and the age group for whom care is provided. All rates are per month.

Cost of Care Per Child Per Month in Missoula Region (75th Percentile - 2002 Market Study)				
	Center	Group	Family Home	LUP*
Infants	\$494	\$433	\$412	\$303
Age 2 and up	\$448	\$409	\$390	\$303

*Legally Unregistered Provider

Regional Assets

Some of the greatest assets reported in the Missoula region included the physical environment, landscape, access to services, low stress, low crime, and access to entertainment. The University of Montana makes the city of Missoula a progressive college town, but throughout the region there is also a lot of agriculture. Missoula County is the fastest growing county in Montana. The cost of real estate is high, but poverty exists here as well.

The local CCR&R, Child Care Resources, Inc., was cited as the most progressive CCR&R agency in the state technologically and as a leader in training with ChildCareTraining.org, an interactive online training also available nationally. *Keeping Everyone in Early Childhood*, a collaboration between Child Care Resources, Inc., and Child Care plus+ provides training for Missoula providers that work with non-diagnosed special needs including behavioral issues. That program is funded by the U.S. Department of Education. Additionally, the Yale School of Business recently selected Child Care Resources, Inc. as one of 20 finalists in a national business plan competition. Child Care Resources, Inc. also hosts the online child care referrals for the entire state because they are the only CCR&R agency with a website capacity to accommodate the referral software.

Missoula County additionally hosts a Child Care Consultant who is funded by Missoula County. A local revenue source of \$1 million also funds local projects in the Missoula region. Key stakeholders reported the availability of human service resources as one of the greatest assets. A Community Needs Assessment indicated that human services are far more available here than in any other urban area of the state. Resources include but are not limited to the Comprehensive Development Center, Child Care plus+, a Mentoring Program, and training and higher education.

Specifically the "Inclusion Basics" course taught by Child Care plus+ was mentioned. Child Care plus+ also has a series of newsletters that equal 8 hours of training. That program also receives national funding. Child Care plus+ staff work through the regional CCR&R agencies to individualize services for providers.

Another cited asset was that regional uniqueness is appreciated and represented throughout the state CCR&R network. Cohesion among Early Care and Education professionals is strong, and a relatively small group of people have made a positive impact.

The Mentoring program in the Missoula region was reported as really supporting providers. Often times, center directors are overwhelmed with paperwork and other responsibilities. The Mentoring program really guides the providers through the accreditation process. This region has the highest percentage of Star rated providers (12% of all regulated providers in the region), and houses 40% of all Star rated providers statewide.

Stakeholders also reported that providers have the opportunity to access volunteers and interns through the University of Montana. Higher education is good and plentiful in Missoula, but in other areas of the state it is difficult to access. Stakeholders report that there are good, knowledgeable trainers available in the region for infant/toddler training. There are also many highly educated people who are tremendous assets. It was additionally reported that all of Montana really maximizes what it has and makes things happen with less.

Another reported asset was ECSB and their willingness to listen to key stakeholders; stakeholders reported that the relationship ECSB staff have with the Montana Early Childhood Advisory Council (MECAC) members as well as with providers is really extraordinary overall. ECSB staff in general were reportedly a group of people who say "You want to do that? I think we could." They are very innovative, responsive and supportive. Being a small state, providers can get to the people they need without a lot of red tape. People and systems are accessible.

In Missoula as well as the state, the continuum of educational options is great according to key stakeholders. The MCCR&R Network advocates for children and providers, and there is a commitment to being on the cutting edge. The field is comprised of committed, professional people who really care. The community partners give a lot also. That is why programs survive or even thrive.

Stakeholders additionally report that the state Early Care and Education professional development system and the incentives are amazing. Most of the quality dollars go directly to practitioners, which is at the core of MECAC's mission and guiding principles. Key stakeholders reported that you just don't see that in other states.

Julie Bullard at UMW was also reported as an asset. She has made it her lifelong goal to establish accredited coursework that articulates to all colleges. Over 15 years she has increased access to

ECE faculty and courses all across the state through satellite campuses, self-study processes, distance-learning, on campus coursework and online coursework (leading to both AA and BA degrees). An online Masters degree is also currently being developed.

The Special Needs Subsidy was also identified as an asset. Stakeholders enjoyed being part of a team by coming to the table to discuss and address children's specific needs. They felt that it demonstrated how valuable the input of providers is to schools.

Regional Issues

Stakeholders in the Missoula region reported that families in need of off-hour or sick child care may use less than desirable care to meet their needs. Unregulated informal care is often used, and many parents have several part time jobs which means that children may have to be in several child care arrangements each day. It was additionally reported that professional people living in the Missoula region can generally pick up their children from child care when they are sick, but parents receiving subsidies may not be able to.

Another commonly expressed concern was that low wages perpetuate turnover. Until providers get paid a living wage, they will continue to leave the field. It was reported that sometimes the extra work required for providers to participate in quality initiatives, even the paperwork for registering with the Early Care and Education Practitioner Registry, overwhelms some providers. The work is seen as outweighing the benefits. Those centers where directors play a primarily administrative role (i.e., are not in the classroom) can frequently completing paperwork correctly, submit it on time, and therefore are able to access benefits and funding more readily. Many providers in Montana reportedly resent any type of regulation at all.

Key stakeholders in Missoula also expressed frustration regarding data collection and tracking. Concerns included a lack of measurable outcomes linked to quality initiatives, and difficulty in generating custom or summary reports. In general, there was disappointment in the quality of reporting available from the new CCUBS database, as well as the lack of timely updates specifically summary data for CCR&R regions. Data is entered into CCUBS by all 12 CCR&R agencies in the state. However, getting that data out in a report format is difficult, if not impossible, at times. Additionally, data is not entered consistently by the CCR&R agencies, making accurate reporting difficult. A final issue related to data collection and reporting is that due to the software change in 2000, data is not always comparable. The Executive Director of Child Care Resources, Inc. recommended that program planning include initial data collection discussions followed by data management throughout the project. For example, quality initiatives could establish a baseline prior to implementation and perhaps would have a control group to facilitate data comparison. Lack of accurate reporting makes it difficult for members of the Montana Early Childhood Advisory Council to effectively make informed policy recommendations.

Lack of quality, affordable care, as well as infant care, were also mentioned as issues in the Missoula region. Infant care is especially costly to provide, and therefore a shortage of providers exists.

The Missoula Early Head Start program reported that they could not qualify for a Star rated license because their turnover rates were too high. That program offers benefits as well as higher pay compared to other providers.

Another reported issue was that reimbursement rates were below the recommended 75th percentile. Providers reported that even with the Star rated license, reimbursement rates fell below what they charged for a child not eligible for a Best Beginnings Scholarship.

Many providers in the area have closed and the subsidy program requires a lot of paperwork. Additionally, providers expressed dismay that they can not warn each other about employees who would not be eligible for rehiring. Yet parents reportedly could tell untruths about providers to whomever they desire without consequence. Providers also expressed discouragement that they do not feel comfortable encouraging younger people to join the profession because of the low wages and poor working conditions. To quote one Missoula provider, "We need to stand behind what we say if we want to do what's right by our children."

Quality Initiatives

In FY 2002, the Missoula region received \$324,258 in quality improvement grants funded through DPHHS, 26% of grant funding dispersed that year. In 2003, the region received \$333,466, an increase of almost 3% in grant funding for regional quality initiatives funded through Best Beginnings (29% of grant funds dispersed).

The Missoula region was the only one to experience a significant increase in the number of providers at a Level 3 by going from having 59 providers at a Level 3 or above in 2002 to having 81 in 2003, representing an 37% increase. During that same time, the amount of Merit Pay received by providers in the Missoula region also decreased by 34% from \$23,200 to \$15,400. This region also had decreased funding in Specialized Training Grants which were funded at \$75,000 in 2002 and \$61,917 in 2003, a decrease of 17%. It is important to note however, that one of the Specialized Training Projects is being conducted by the MCCR&R Network for providing statewide training. The remaining quality initiatives in the Missoula region, Infant Toddler Demonstration Projects, a Mentoring Grant, Mini Grants and Provider Grants all received increased funding between 2002 or 2003. The table on the following page describes the break down in quality improvement funding from Best Beginnings for the Missoula region in detail for state fiscal years 2002 and 2003.

Quality Initiatives Funded through DPHHS – Missoula CCR&R Region				
Grant	Percentage of State Funding Received 2002	2002 Actual Funding	Percentage of State Funding Received 2003	2003 Actual Funding
Infant Toddler Demonstration Project	23%	\$72,031	28%	\$92,346
Mentoring Grant	18%	\$22,899	19%	\$26,145
Merit Pay	18%	\$23,200	13%	\$15,400
Mini-Grants	17%	\$11,129	22%	\$22,658
Provider Grants	37%	\$119,999	34%	\$115,000
Specialized Training Grant	29%	\$75,000	54%	\$61,917
Total	26%	\$324,258	29%	\$333,466

¹ Regional poverty levels were determined by averaging the poverty rates of each county according to 2000 Census data.

² Based on the 2000 Market Rate Survey conducted by DPHHS (rates for infants in all four types of care were averaged)

³ According to Funding Formula for Regional Resource and Referral Agencies - DPHHS, 2004

⁴ Average of Median Household Income Levels from each county comprising the region – taken from Census 2000 Data

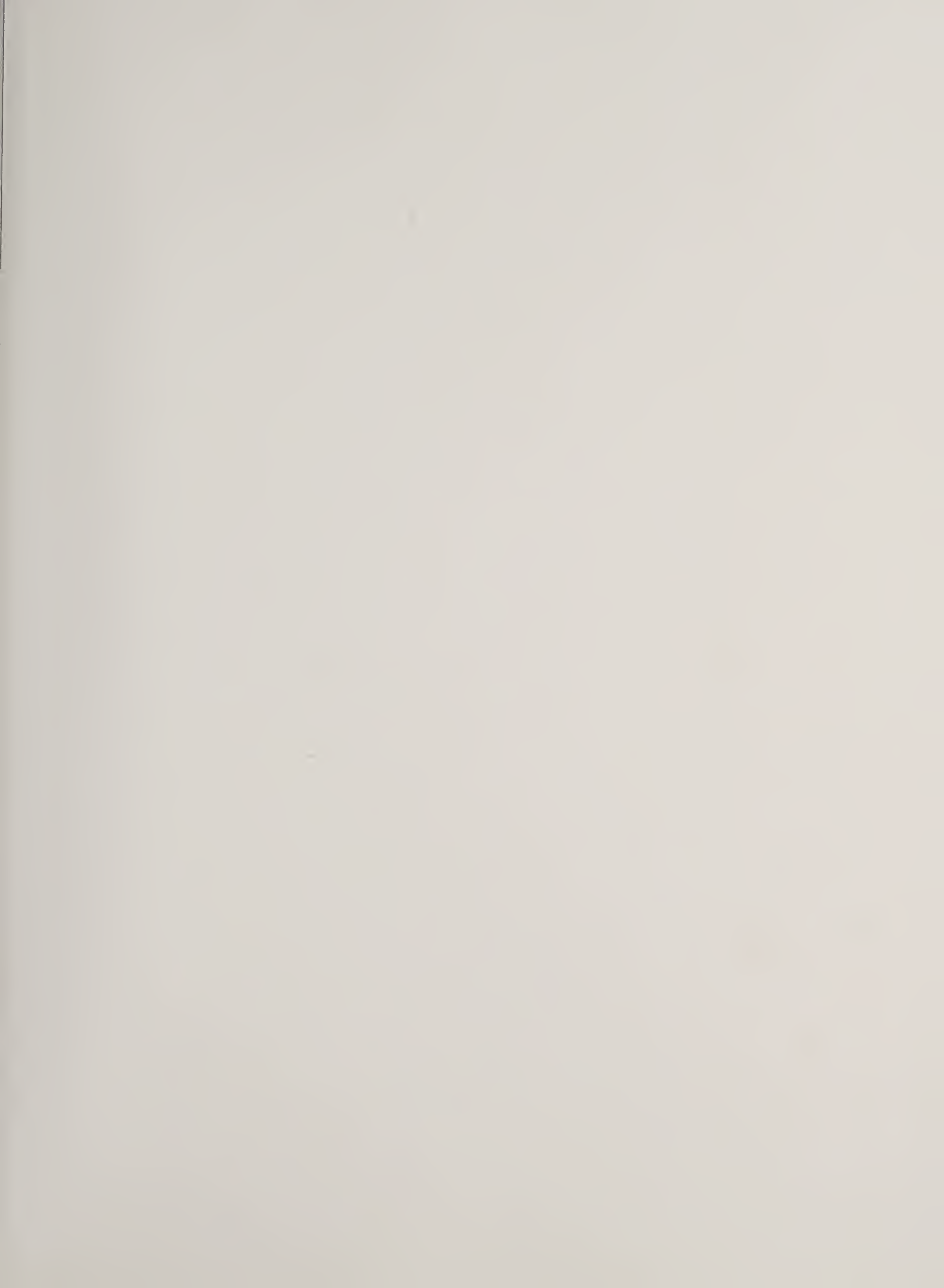
⁵ Research and Analysis Bureau – Reservation Data, found online June 2004 at <http://rad.dli.state.mt.us/program/resdata.asp>

⁶ Calculated by using the total population of children under the age of five as determined by the 2000 Census, then multiplied by the percentage (72%) of children statewide with working parents (homes where either both parents are employed or there is a single head of household).

⁷ Calculated by using the population of children under the age of five in each county as determined by the 2000 Census, multiplied by the percentage (72%) of children statewide with working parents (homes where either both parents are employed or there is a single head of household).

⁸ Reported by DPHHS Quality Assurance Division, Child Care Licensing in February 2004.

⁹ Average cost of care per month = daily rate as determined by 2000 Market Rate Study multiplied by an average of 21.66 work days per month.



50 copies of this public document were published at an estimated cost of \$18.00 per copy, for a total cost of \$900.00, which includes \$900.00 for printing and \$0.00 for distribution.